

THE TIMES Tomorrow

The Pope ... Peter Nichols casts a doubting eye on the John Paul I murder theory ... and a prayer Alan Franks takes a fresh look at Bob Dylan's proselytizing style



Flapping ... Paul Jennings suggests banner-flying as a sport ... hope Sport previews the US Open golf championship at Winged Foot, New York

Cash for societies plummets

Building society net receipts for May fell to £482m from £683m in April, the lowest for nearly a year, raising fears of a rise in British interest rates Page 19

Lonrho pressure

Continuing pressure from the Office of Fair Trading has so far failed to persuade Lonrho to give undertakings that it will not increase its influence over the House of Fraser pending a Monopolies Commission inquiry Page 19



Hard news

Arthur Guinness, the brewers, want to sell alcoholic drinks through up to 620 high-street newsagents' shops, in the two chains they will control Page 3

Snub for IMF

Argentina has gone over the head of a five-man IMF team in Buenos Aires to deliver proposals for austerity measures directly to the fund's Washington headquarters, but the IMF is unlikely to be satisfied by the measures Page 19

Afghan attack

Islamabad (Reuters) - Soviet forces have launched a big offensive against Afghan guerrillas near the Iranian border. Western diplomats said yesterday. Increased rebel activity has also been reported in Kabul and the eastern provinces of Paktia and Nangarhar bordering Pakistan.

School strikes

Teachers will intensify strike action next week because a meeting with their employers over taking their union claim to arbitration has been delayed Page 2

Leader page 13 Letters: On the matrimonial Bill, from the Bishop of Birmingham, and others, demonstrating, from Mr C H F Blake, school assemblies, from Mr J Swallow

Leading articles: Star wars: Education: Select committees: Features, pages 8, 9, 12 How the Government is jeopardizing Britain's defence: too soon to write off Shamir: star wars and after, Third World debt, a threat to the West, Spectrum: Fred Perry faults present-day tennis, Wednesday Page: concluding our good food guide

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Outlook bleak for coal board's talks with miners

- Miners' leaders meet the National Coal Board today for a third round of peace talks, against a background of increasing pessimism
- Disclosures in *The Times* that the board still intends to close uneconomic pits have worsened its relations with the union
- Action by railmen stopped the movement of coal to the Llanwern steelworks but minimal supplies are expected today
- The president of the Northumberland NUM appeared in court with 11 miners for alleged offences during the miners' rally in London

By Paul Routledge, Labour Editor

Miners' leaders meet the National Coal Board today for a third round of peace talks against a background of growing pessimism, after a warning from the president of the National Union of Mineworkers, Mr Arthur Scargill, that "we are on target for more and more conflict".

Discussions between coal board and union officials, led by Mr Scargill, are to take place at a secret location outside London on the eve of a key meeting of the union's national executive.

Neither side expects the latest bargaining session to yield a quick formula to end the pit strike, now in its fourteenth week, and indications last night pointed to a worsening of relations after disclosures in *The Times* yesterday that the board is sticking to its guns on the closure of "uneconomic" pits.

Mr Scargill said yesterday: "When we meet Mr MacGregor, we shall be telling him - as we have done every time we have met him - that we are not prepared to resolve this dispute until he withdraws his threat to close pits. That is clearly in violation of an agreement accepted by Mrs Thatcher's Government as recently as 1981."

He described board proposals for a new version of the 1974 *Plan for Coal*, envisaging a cutback now but an expanded production target of between 125 and 130 million tonnes in the 1990s, as fresh evidence of "butchering" in the industry.

Speaking on BBC radio, Mr Scargill added: "The revised *Plan for Coal* merely confirms the NUM arguments are being substantiated, and that the real intention of the coal board is to close 70 to 100 pits and reduce manpower by 70,000 to 100,000. There can be no other interpretation put on it."

"The fact that Mr MacGregor wants to withdraw what he describes as uneconomic capacity means he is intent on butchering this industry." The board chairman's language was "the language of one who tells lies and distorts the facts", Mr Scargill went on. "I would not trust Mr MacGregor if he told me the time of day."

Mr Scargill's riposte followed comments by Mr MacGregor in the interview describing him as "a Dr Jekyll and Mr Hyde", and brings the personal slanging match between the two men to an all-time pitch of bitterness. "I think that what Mr MacGregor has said in *The Times* shows quite clearly that Mrs Thatcher is pulling the strings of this American pup-

pet", he said. "We are on target for more and more conflict." In a television interview later, he said that the coal board chairman's comments in *The Times* were a sign that he was "acting in desperation". Mr Scargill said that he was more confident of victory than at any other time during the dispute.

The board was taking a more optimistic view of its prospects last night, pointing out that a record number of men had clocked on for the day shift in Lancashire - 1,416 out of about 7,000 in the coalfield.

Mr Thatcher told the Commons yesterday that she would not overrule the nationalized industries if they decided to take civil action against secondary picketing (Our Political Correspondent writes).

Last week's *Daily Mirror* leak of Department of Transport papers disclosed that Mr Bob Reid, chairman of British Rail, had been told "to avoid an approach to the Attorney General's office".

But when Dr David Owen, leader of the Social Democrats, yesterday told Mrs Thatcher that she should not pretend that she was not involved in British Rail's legal decisions, she said she would not override their decision if they wished to invoke the civil law.

Picket's inquest, page 2 Parliament, page 4

Railmen stop Llanwern supply

By Barrie Clement, Labour Reporter

Action by railmen in support of the pit strike caused further disruption yesterday as another 16 workers were sent home at the key Shirebrook depot near Mansfield, Nottinghamshire and crucial fuel supplies for the Llanwern steelworks in Wales were stopped.

A total of 48 men out of 140 have now been suspended at Shirebrook, which supplies two power stations with coal from 14 pits.

Some men were still working at the depot and coal was getting through, but "not as much as we would expect normally," according to a British Rail spokesman.

The action came in response

to instructions from the National Union of Railwaymen and the Associated Society of Locomotive Engineers and Firemen to "black" trains carrying fuel to power stations and steelworks.

But last night miners' leaders in South Wales gave new assurances that enough coal would be supplied to Llanwern to prevent damage to furnaces and ovens.

Five weeks ago an agreement was struck allowing two dozen trainloads of coal and coke a week in to the steelworks. But on Monday the rail unions suddenly called a halt to the movement of all coal.

The South Wales miners' executive council is expected to announce today that minimal supplies will be resumed.

Dennis Murphy, aged 57, president of the Northumberland branch of NUM, appeared with 11 miners and five others at Horseferry Road Magistrates' Court yesterday after the miners' rally in London last week. They were variously charged with obstructing police and using threatening behaviour. All were bailed.

New productivity records were announced yesterday for Agrocold colliery, near Manchester, with a peak of 31.3 tonnes per man-shift, compared with the previous record set in 1979 of 15.14 tonnes.

King Juan Carlos threw his weight behind demands for the decolonization of Gibraltar and the Falklands, telling the President Rail Alfonso of Argentina that both Spain and Argentina suffered the painful consequences of colonialism which affect the integrity of the homeland.

The king's remarks, published here yesterday, formed part of his toast at a formal dinner in the President's honour on Monday, the first day of his official visit to Spain.

The king also called on developed nations to come up with "innovative and bold formulas" to solve the problem of mounting foreign debts faced by Argentina and many other countries. Such formulas should respond not merely to the demands of justice, but to the need for survival, the king said.

He said the problem had overflowed the field of finance to become a political challenge for all states jointly. He added: "No country or group of countries can live and prosper indefinitely while the rest of humanity becomes ever more isolated."

In his reply to the toast, President Alfonso did not discuss the territorial disputes with Britain. Instead he limited himself to drawing political and

social parallels between Argentina and Spain, both of which only recently substituted dictatorship for democracy.

Nevertheless, the Falklands and Gibraltar were not forgotten. The Argentine Foreign Minister, Señor Dante Caputo, said after a meeting on Monday with the Spanish counterpart, Señor Fernando Morán, that a reference to the two territories would be included in a joint Madrid Declaration, to be published on Wednesday evening, at the end of Señor Alfonso's official visit.

Gallieri trial, page 7 Falklands anniversary, back page



First words: Prince William playing in the garden of Kensington Palace yesterday, when he made his first brief speech in public (Report and more photographs, page 3)

Juan Carlos backs Argentina on Falklands

From Harry Debellins Madrid

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Gallieri trial, page 7 Falklands anniversary, back page

Ministers refuse to rule out BNF sale

By Anthony Bevis, Political Correspondent

The Department of Energy yesterday refused to rule out the eventual privatization of British Nuclear Fuels (BNF), the state-owned company which processes nuclear waste at the controversial Sellafield site.

A spokesman for the department said: "No, it cannot be ruled out. Nothing is inviolate." He said that ministers had no plans to sell off any part of the company over the next year or two, but longer term action was a possibility.

The Government's 100 per cent holding of BNF's 32 million ordinary £1 shares is listed as one of Whitehall's "major shareholdings" in a brief on privatization and although BNF is not specifically listed as a target for sale, the brief states: "Government will additionally continue to identify and propose other candidates."

Treasury Ministers have set a privatization target of £1,900m for this year, and a further £4,000m up to 1987, with a programme which includes privatizing 51 per cent of British Telecom, British Airways, Rolls Royce, substantial parts of British Steel, British Shipbuilders and British Ley-

land, transferring Enterprise Oil to the private sector and injecting substantial private capital into the National Bus Company and Royal Ordnance Factories and gas and electricity industries.

The Government's residual share in British Petroleum has been valued at £2,794m and in Cable and Wireless at £376m last April. Further branches of those shares will not be sold until the end of next year at the earliest.

Grieson Grant, the stockbroker, has estimated that BNF could be worth £250m, discounting the fact that "the very nature of nuclear fuel creates the disquieting possibility of exorbitant damages in the case of accident."

Mr Peter Rees, Chief Secretary to the Treasury, has already said that in "appropriate cases" the mechanism of a special share, as in Amersham International would be used to safeguard the national interest.

The 1971 Atomic Energy Authority Act, which incorporated BNF, stipulated that the Government must retain, in controlling interest, in the company, but that legislation could be amended.

Mutinies peter out in India

By Our Foreign Staff

Thirteen Sikh mutineers were killed and 33 injured yesterday in the latest clash between what the Indian Government calls "deserters" and loyal troops in Agartala, in the north-east state of Tripura.

But the Government claims now to be generally in control of the situation, and is reported to have sent senior Sikh officers into the field to explain to troops why the army was forced into making its assault on the Sikh Golden Temple in Amritsar in Punjab, which provoked the sporadic rebellions across India.

The outbreaks affected light barracks towns and possibly as many as 2,000 Sikh troops who seized arms and army vehicles and headed for Punjab. But by yesterday most of the mutinies had petered out.

The toll in the Amritsar attack is now believed to be more than 2,200, more than 200 of them soldiers. About 6,500 suspects have been arrested.

Michael Hamlyn, page 7

BAE breaks off Thorn-EMI merger talks

British Aerospace moved nearer a takeover by the General Electric Company yesterday when it broke off talks for a rival merger with Thorn-EMI.

Thorn's proposals, which would have given British Aerospace 46 per cent of shares in a combined grouping, seems to have fallen foul of the setback to stock market prices in the four weeks since the talks started and City doubts about the value of share if the merger went through.

Kenneth Fleet, page 19

Takeover talk at Fleet St papers

By William Kay City Editor

Speculation on the future ownership of two of Fleet Street's biggest newspaper groups - Fleet Holdings and Mirror Newspapers, is mounting here tonight.

The socialist millionaire, Mr Robert Maxwell, named in the past as a possible Mirror Group bidder, was said to be keenly interested, and reports of intense behind-the-scenes activity.

The shares of Fleet, owner of the *Daily Express*, *Sunday Express* and *Daily Star*, jumped 7p to 182½ at one stage yesterday before closing at 178p.

More than a million shares changed hands in the expectation that Mr Robert Holmes à Court, the Australian businessman who owns Associated Communications Corporation in this country, was about to make a takeover bid.

At the same time stock market rumours were growing that Reed International may not after all float its subsidiary, Mirror Group Newspapers, as a separate public company. MGN owns the *Daily Mirror*, *Sunday Mirror*, *Sunday People*, *Scottish Daily Record*, *Sunday Mail* and *The Sporting Life*.

Mr Maxwell, the former Labour MP who runs the British Printing and Communications Corporation, was widely believed in the City to be keen to buy Mr Holmes à Court's 10 per cent stake in Fleet.

Mr Maxwell said last night: "I never comment on rumours, but I am watching both the Mirror and Express situations with great care."

Although Mr Holmes à Court was thought more likely to press on with his plan to bid for Fleet Holdings, it would still be open to Mr Maxwell to make a higher offer.

Neither owns newspapers in this country with daily circulations of more than 150,000 and this would not face automatic investigation by the Monopolies and Mergers Commission.

A larger proportion of the Fleet shares on offer yesterday were understood to have been bought by a single broker acting for a Swiss source.

Mr Holmes à Court left London for Australia yesterday. But the belief is gaining ground in business circles that Reed will have to call off the Mirror hounds.

The MGN chairman, Mr Clive Thornton, former head of the Abbey National building society, has been beset by labour relations problems since he took over last October. He was reported in *The Times* yesterday to have received two offers of jobs elsewhere.

Reed would find it difficult in this climate to gain the price they want for MGN shares and it is becoming more probable that a higher price could be obtained from an outright sale.



Music Director: CLAUDIO ABBADO

Diary

'Return of a Master' Last year's Nobel Prize winner, Claudio Abbado, returns to the Barbican with the London Symphony Orchestra. One quotation from this newspaper must suffice: "Claudio Abbado's month-long residency with the LSO moved into its final phase this week, leaving in its wake a trail of memories for those 40 or so fortunate enough to have caught every instalment. These were the Barbican Symphonies, as individuals as they were compelling, an unforgettable 13-week New World. Times 20 July 1983." We are delighted to welcome back Claudio Abbado for four concerts in which Czech music is strongly represented. Opportunities to hear Claudio, a giant among the conductors of the post-war years, are increasingly rare. Rudolf Firkušný, recognised as the reigning interpreter of the works of Smetana, Dvorak, Janacek and Martinu, plays Martinu's 2nd Piano Concerto on 5 July. Full details in the adjacent column.	At the Barbican Hall: Tuesday 26 June 7.45 JANACEK Symphony No 9 in D Minor <i>In association with British Artists</i> Thursday 28 June 7.45 BEETHOVEN Piano Concerto No 1 in C BRUCKNER Symphony No 9 in D Minor Rudolf Firkušný piano Tuesday 3 July 7.45 SMETANA Symphonic Poem 'Richard III' DVOŘAK Symphony No 8 in G JANACEK Sinfonietta Thursday 5 July 7.45 SMETANA Symphonic Poem 'Richard III' MARTINU Piano Concerto No 2 DVOŘAK Symphony No 8 in G Rudolf Firkušný piano Sponsored by Rank Xerox
Barbican Pops Week Includes Italian Opera on July 11 and 12 featuring Rosalind Plowright, Jean Rigby, Charles Craig and Neil Howlett in music by Verdi, Puccini, Rossini, Donizetti and Giordano. The programme will be conducted by Richard Armstrong.	£8 £7 £6 £5 £3.50 £2.50 Tickets on Sale Now Bookings 01-638 8891/ 01-628 8795

Peter Pan film will benefit sick children

Steven Spielberg the American film director announced yesterday that he is to make a "totally live action" film of *Peter Pan* - a venture that could net a fortune for Britain's most famous children's hospital.



Steven Spielberg. Confirmed project

The Great Ormond Street Hospital for Sick Children, London, owns the rights to the story of the wonder boy, left to it by writer J. M. Barrie. And if the planned film is as successful as Spielberg's box-office successes - *Jaws*, *ET* and *Raiders of the Lost Ark*, the

hospital stands to make "quite a reasonable sum". Contracts have not yet been

signed, but Mr Richard Crewdson the hospital's legal advisor said negotiations "have gone a long way down the line". Mr Spielberg, now in Britain for the premiere of his latest film *Indiana Jones and the Temple of Doom*, confirmed yesterday that the story of the boy who never grew up, is to be his next project.

"There has never been a live action picture, except a 1923 silent version", he said in an interview on BBC Radio One. "This is the first real motion picture version

مذاهب اسلام

Hereditary peers ensured victory for Government on abolition Bill

By Philip Webster, Political Reporter

The attendance for Monday's vote in the Lords on the legislation abolishing next year's election to the Greater London Council and the metropolitan county councils was the highest since October 28, 1971, when peers voted by 451 votes to 58 in favour of the principle of Britain joining the European Community.

The Government had a majority of 237 votes to 217 at the end of the second reading debate on amendment concerning the Local Government (Interim Provisions) Bill as a "dangerous precedent".

Seven Conservative peers voted with the opposition parties despite one of the most comprehensive and persistent whipping exercises seen in the Lords for years.

The Government made no attempt to disguise the extent of that operation.

Lord Whitelaw, the Leader of the Lords, Denham, the Government Whip, Lord Swinton, his deputy, and the four Lords and one Lady in Waiting, who act as junior whips, Lord Long, Lord Cairness, Lord

Skellernsdale, Lord Lucas of Chilworth and Lady Trumpington were busy from early last week cajoling peers from all over Britain to come to Westminster to defend the Government.

Lord Mountgarret spoke in the debate of extreme pressure being brought to bear on a number of the Government's far distant and somewhat irregular supporters.

But it was clear yesterday that the Government had hereditary peers to thank for its majority. According to a survey conducted by Alliance sources, 15 of the peers who voted for the Government did not attend the House at all in the 1982-83 session and 11 attended only once. Of those, all but one were hereditary peers.

A detailed study of the division lists revealed that 178 hereditary peers voted for the Government and 53 for the opposition parties.

Seven Conservatives voted against their party, Lord Plummer of St Marylebone, Lord Alport, Lord Molson, Lord Teviot, Lord Blakenham, Lord

Elbank and Lord Trevethin and Oaksey - many others abstained.

One factor that the vote so close was clearly the high number of cross-bench peers - more than 40 - who voted for the opposition amendment. Most cross-benchers have tended to back the Government in key votes on principle of legislation.

But of the 200 or so cross-benchers, only 22 backed the Government on Monday.

They were: Lord Amthill; Lord Cassia; Lord Cameron of Balhousie; Lord Cornwallis; Lord Halsbury; Lord Harris of High Cross; Lady Hilton-Foster (chairman of the cross-benchers); Lord Layton; Lord Macdonald of Kelvinside; Lord Maclehoose of Beoch; Lord Milne Lord Napier and Ettrick; Lord Nathan; Lord Nugent of Guildford; Lord Perth; Lord Pritchard; Lord Rugby; Lord St David; Lord Shannon; Lord Soper; Lord Strathclyde and Lord Tryon.

The Liberals and Social Democrats encouraged most of their members to vote, 30 for the Liberals and 29 for the Social Democrats.

£700,000 stolen in security van raid

By Stewart Tandler, Crime Reporter

More than £700,000 was stolen from a Securicon van in Kent yesterday when an armed gang threatened a member of the crew as he went to use a lavatory after the vehicle had stopped in a lay-by. No one was injured in the robbery and no shots were fired.

Last night the crew of three was giving details to detectives. It was not clear whether the raiders had followed the van or were lying in wait for it on its regular route.

The robbery took place just

before 1pm when the van, loaded with £720,000 in used notes collected from customers in the Medway towns, was heading for London on the A2. The blue van had stopped at the Cobham Park picnic area outside Rochester.

The crewman was attacked by five men wearing comic masks, who were carrying weapons including a sawn-off shotgun and a handgun. The gang threatened him and made his colleagues open the van.

Nalگو steps up campaign against Bill

By David Felton, Labour Correspondent

The largest town hall union last night looked set for a conflict with government legislation to abolish the Greater London Council and the six Metropolitan county councils through a call to its 800,000 members to ignore the abolition laws.

After the House of Lords vote in support of the government Bill to cancel next year's elections for the councils, delegates at the annual conference in Brighton of the National and Local Government Officers Association (NALGO) called for a widening of the campaign for opposition to the abolition plans through involvement of the TUC and other unions.

The conference rejected by a small majority an attempt to remove the need to hold a ballot of the members before they can be instructed to take sympathetic industrial action. Because of procedural confusion, the conference did not vote yesterday on the new strategy of opposition, but that decision, which is a formality, will be taken today.

Delegates called for pressure to be brought on the TUC, and a national conference of unions, community groups and other interested parties to be organized to draw up fresh plans to oppose the Government's "rate capping" proposals.

NALGO claims that the cooperation of its members will be necessary for the winding up of the councils and believes that it will be able to frustrate the Government's objectives. When the new strategy is formally ratified today it will mean that NALGO members taking industrial action against abolition will be officially backed by the union.

Smelly feet claim for divorce

A judge yesterday granted a divorce to a woman who complained that her husband lost money gambling, seldom took a bath and had smelly feet.

Mr Justice Ewbank, in the Family Division of the High Court, granted Mrs Gillian Bartley, aged 39, a decree nisi on the grounds of her husband's unreasonable behaviour.

The couple who were married in 1964, have three children, and live at Middle-land Road, Great Bookham, Surrey.

The judge said that Mrs Bartley complained that her husband once went for four weeks without taking a bath. But he said her account was exaggerated and that her husband bathed twice a week.

In April, 1982, the wife began an adulterous affair lasting six months and this was the primary cause of the marriage breakdown, the judge said.

Louise's grandmother released

Mrs Mary Brown, paternal grandmother of Louise Brown, the baby reported missing two weeks ago, was released early yesterday on police bail. She had been arrested on Monday.

Detectives are checking a report that a woman on holiday in Brighton saw a couple with a carrycot crossing a field near Shoreham on the afternoon that the baby was reported missing in London.

Two for trial on dog theft charge

A man and woman were yesterday committed for trial to Chelmsford Crown Court accused of demanding money with menaces from Mrs Jean Claydon, of The Vinery Stud, Kelvedon, Essex, on April 3.

Magistrates at Witham renewed bail for Mrs Marion West, aged 38, of St Margaret's, Stevenage, and David Pearce, aged 35, of Offley, Hitchin.



"...and WE won't climb down."

Jopling heckled by angry farmers

From John Young, Agriculture Correspondent, Malvern

Dairy farmers carrying placards protesting at European Economic Community milk production quotas booed and shouted abuse at Mr Michael Jopling, Minister of Agriculture, when he arrived at the National Farmers' Union pavilion at the Three Counties Show yesterday. As he left his car at the gate of the show, in Malvern, Hereford and Worcester, a light aircraft flew overhead trailing a banner reading: "Blundering Jopling turns milkers sour." Minutes later protesters invaded a press conference and afterwards followed him with their placards as he toured the show.

Many of the messages were openly political, such as "Vote Tory, go broke" and "Maggie's lost her bottle". Mr George Wheeler, from Droitwich, who organized the demonstration, said: "There is going to be a big protest vote in the Euroelections on Thursday."

Guide to milk quotas

The Government yesterday published its proposed criteria for determining special cases among dairy farmers when the new production quotas are allocated. A total of 2½ per cent of the agreed national quota for the United Kingdom has been set aside to provide flexibility in allowing extra production by farmers who can show that a quota based on their 1983 production less 9 per cent would be unfair. Among them will be those

Boy, 5, died in shower punishment

A boy aged five died of hypothermia after being given a cold shower as punishment for bedwetting, an inquest jury at St Pancras Coroner's Court, London, was told yesterday.

Eliza Hinds was held screaming under a cold shower for 15 to 20 minutes by his mother's friend, Mr Tony Ankles, aged 24, the court heard. Moments later he collapsed in his bedroom and was taken to hospital by ambulance but was dead on arrival.

Det Insp George Peel, who interviewed Ankles and the boy's mother, Miss Gloria Robinson, aged 25, said both had watched a film on television where someone had been brainwashed. The cold shower treatment was the method.

"Both admitted to me they were annoyed by the bedwetting but they didn't know how to do anything about it," Insp Peel said. "Neither at any stage wished to kill the child. I quite believe that."

The Director of Public Prosecutions had ruled there was insufficient evidence to convict Mr Ankles of manslaughter, although he had been negligent, he added.

The jury returned a verdict of "misadventure".

Jury's open verdict on crushed picket

From Craig Seton, Mansfield

An inquest yesterday failed to establish how a picket was so severely crushed that he was already dying when felled by a brick. It happened on a night of tension outside Olferton colliery, near Mansfield, Nottinghamshire, in the early days of the miners' strike.

A jury in Mansfield returned an open verdict on Mr David Jones, aged 24, of South Kirby, Pontefract, South Yorkshire, a miner at Frickley colliery, who died on March 15 two hours after arriving at Olferton.

The cause of death was given as ruptured blood vessels in his chest which had caused a large accumulation of blood around his heart.

The jury had been told that although Mr Jones collapsed and was taken to hospital when he was hit by a brick, it could not have caused his death. The injuries which caused the severe internal bleeding had happened some time earlier but nobody knew how it had happened.

Mr John Langham, the Nottinghamshire coroner, was told that before the picketing began, Mr Jones drank two points of beer in an Olferton public house. He had called for a first aid box from behind the bar and had dressed the wounds of a man hit by a brick.

He then went outside where between 300 and 400 men were milling about in the dark. "It was a night of tension. The police were interested in holding the crowd, the miners were possibly interested in breaking it, and locals were shouting at the pickets," Mr Langham said.

Inquiries had disclosed that there were about 20 minutes of Mr Jones's movements unaccounted for between the time he left the public house and when he was hit by a brick and collapsed.

After the verdict Mr Jones's father, Mark, and his brother, Trevor, said: "We are satisfied it as far as it goes."

Delay over meeting will escalate NUT strike

By Richard Garner, Times Educational Supplement

Strike action by teachers will escalate next week because of a delay in fixing a negotiating meeting with their employers over discussions about taking their pay claim to arbitration.

Both sides in the dispute have agreed to meet a week on Friday, but only after the employers had rejected a suggestion from the biggest teachers' union, the 235,000-strong National Union of Teachers, that the meeting should be held either this Friday or next Monday - in time to call off strike action planned for next week.

Mr Douglas McAvooy, acting general secretary of the NUT, blamed the local education authorities for causing next week's disruption, adding: "They have caused further disruption of schools by strike action next week, and indeed this week, because firstly they made a statement about arbitration that was ambiguous, and secondly sought to delay a meeting with us."

Officers of the NUT will meet tonight on the level of next week's strike action, once they have studied ballot returns from schools in local authority areas where councillors have not declared they are in favour of arbitration.

However, Mr McAvooy gave warning that next week's action "which will take the form of a three-day strike beginning next Tuesday" was likely to be an escalation of the action which began yesterday, shutting hundreds of schools throughout the country.

"The results of the ballots are being collated now," he added.

New for Gorton

Dame Mary Warrack, Senior Research Fellow of St Hugh's College, Oxford, has been elected Mistress of Gorton College, Cambridge. She will take up her position on January 1, 1985.

Leading article, Page 13

Party successful in 'Morning Star' vote

By Rupert Morris

The Communist Party of Great Britain appeared yesterday to have turned the tide in its efforts to regain control of the Morning Star, the country's only Communist daily newspaper.

Results of elections to the 15-strong management committee of the People's Press Printing Society, the cooperative which owns the Morning Star, showed the party to have gained two seats, more significantly, the voting suggested that had it not been for the abandonment of a shareholders' meeting in Glasgow, the party would have won all five of the seats for which it had fielded candidates.

Top of the poll was Mr Ken Gill, general secretary of AUEW (Tass), the clerical section of the engineering workers' union. He and three others who were elected were recommended by the PPS management committee, which has been pursuing a more fundamentalist, pro-Soviet political line than the British party executive.

Two other management committee candidates were defeated by Mr George Bolton, Vice-President of the Scottish miners, and Mr Chris Myant, a journalist on the Morning Star. Nearly 600 shareholders were prevented from voting by the closure of last week's Glasgow meeting after a procedural wrangle; had these members voted, it is likely that Mr Gill would have been the sole successful management committee candidate.

London's buildings 'not first class'

By Tony Samstag

London did not possess one first-class modern building, the public inquiry into the proposed Mansion House Square development in the City of London was told yesterday.

Mr James Stirling, the internationally renowned British architect who has been described as Britain's most sought-after architectural expert, said the 21-storey glass and steel office block designed by Mies van der Rohe and planned for the six-acre site, would at last enable the capital to take its place among such cities as New York. The inquiry at Guildhall,

now in its seventh week, was asked to consider the view that "the pattern of commercial office buildings in England do not seem to know what good modern architecture should look like; maybe they do not consider the visual aspect to be of paramount importance."

It was clear that Mr Peter Palumbo, the prospective developer who had commissioned the design, did, however, see aesthetics and design as "paramount in his criteria for the project."

In previous conversations with the architect, who died in 1969, Mr Stirling said he had

asked him why he had not produced designs for a visionary concept of the twentieth century city, as was proposed by contemporaries such as Le Corbusier and Frank Lloyd Wright.

"His reply was that he was interested only in 'making the existing city beautiful'."

Overseas selling prices: Australia \$20; Belgium 20; Canada \$15; France 15; Germany 15; Hong Kong \$15; India 15; Italy 15; Japan 15; New Zealand 15; Norway 15; Portugal 15; Spain 15; Sweden 15; Switzerland 15; Taiwan 15; Thailand 15; USA \$15; USSR 15; Yugoslavia 15.

EEC urged to give leadership

Britain and her European partners could provide the world with the economic leadership it lacks if they stopped arguing about "ridiculous, parochial, third-rate matters" such as milk and butter quotas, Herr Helmut Schmidt, the former West German Chancellor said yesterday.

Speaking in Guildhall, London, only two days after Mrs Thatcher delivered the final declaration of the London summit meeting from the same building, he said: "The world lacks economic leadership. It remains unclear whether the heads of government at the summit understood the gravity of the world situation. The world's economy is in bad shape. Recession is too nice a word and it is not likely to improve quickly."

Herr Schmidt traced the problems of Third World debt and recession back to the inflationary consequences of financing the Vietnam War,



Helmut Schmidt with Mr Denis Healey, Opposition spokesman on foreign affairs, at Guildhall yesterday (photograph: Chris Harris)

followed by two oil price explosions in the 1970s. The Third World had to borrow heavily to pay for its oil "and there were enough people in the US and Europe who were prepared to lend". But the lending had grown out of hand. The world's trading system

Sale room

Sèvres sets porcelain auction record

By Geraldine Norrman, Sale Room Correspondent

A Sèvres porcelain ewer and basin became the most expensive items of European porcelain ever sold at auction when they fetched £126,500 at Sotheby's yesterday. The buyer was Winifred Williams, the London dealer.

Sotheby's had set no advance estimate, but had suggested the price might reach the £25,000 mark.

The Sèvres factory was under royal patronage and Madame de Pompadour, Louis XV's favourite mistress, took a special interest in it. The ewer and basin are decorated with the

buyer, said that "the best soft paste French porcelain has been undervalued for far too long."

Sotheby's had two good collections of French porcelain for sale and most - though not all - prices went well beyond expectations. Winifred Williams, which has long specialised in French porcelain, eight most of the important lots.

He spent £33,000 (estimate £18,000-£20,000) for another "rose pompadour" ewer and basin which had cost £3,200 at Sotheby's in 1966; £31,900 and £30,800 respectively for two small Vincennes watering cans

Discredited scientist in hearing bid

By Our Crime Reporter

Dr Alan Clift, the discredited forensic scientist, is seeking ways of defending himself by giving evidence or being represented next month when the Court of Appeal begins examining 11 cases where doubt has been cast on his work as a former Home Office scientist.

Yesterday Dr Clift, who was compulsorily retired in 1981, said: "If they are going to review these cases because I have given evidence in them, and whatever reputation I have is further going to be sullied, it would be only common justice that I should be consulted."

Although the Home Office had examined cases going back to 1967, he had never been questioned about them or been able to defend his work, he said. Doubt about the reliability of Dr Clift's evidence was raised after a review of the case of Mr John Preece, a lorry driver convicted of murdering a woman in 1973. In 1981 Mr Preece was released and received £70,000 in compensation.

Yesterday Dr Clift said he would be in court on July 17 when the first of the cases put before the Court of Appeal, which included three murders, was heard. He was also planning to take legal advice to see if he should be represented

"Something rather interesting and unexpected is happening at the Albery Theatre. The Clandestine Marriage... arrives in London like a breath of fresh air" SUNDAYTIMES



ANTHONY QUAYLE: "A performance of hypnotic appeal" STANDARD

ROY KINNEAR: "A marvellous Hogarthian economy" SUNDAYTIMES

JOYCE REDMAN: "The most explosive performance of the night" THE TIMES

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Playful Prince William, latest royal public speaker



Prince William said his first words in public yesterday, and also showed that he is not only at home with cameras and microphones, but fascinated by them. The Prince, who will be two years old tomorrow week, was playing in the walled garden at Kensington Palace. He kicked

a ball and was pushed on a swing by his father, Prince Charles, watched by the Princesses of Wales. But it was his first public words which the microphones were waiting for. Predictably, "Daddy" was repeated several times, then "ball", "tractor" and



"ant". His most conversational approach was "who's that?" and "what's that?" Prince William, dressed in short blue dungarees over a striped T-shirt with dark blue sandals and white socks, repeatedly ran over to have a closer look at the photographers. "He's really

interested in cameras", Prince Charles said. An ITN cameraman obliged by letting Prince William look inside the eye-piece with his camera pointed at the rest of the pressmen. "There are people in there, ooh", Prince Charles said, as his son's



eyes opened wide at this new toy. "What's that?" Prince William asked, turning to a long microphone near by. "That's called a microphone. It's a big sausage that picks up everything you say - and you are starting early", his father told him.

Guinness is looking for sales at newsagents

By William Kay
City Editor

Arthur Guinness, the company which brews the famous Irish stout of that name, would like to sell alcoholic drinks through up to 620 high-street newsagents' shops. The company already owns Lavells, a chain of 130 newsagents, and a few of these have off-licences. But Guinness is about to complete a £47m takeover of Martin the Newsagent, which has 490 outlets.

Mr Ernest Saunders, the chief executive of Guinness, said yesterday: "We want to sell a lot more consumer products through Martin and Lavells. Once we have got people in the stores to buy newspapers, tobacco or confectionery, we want to persuade them to buy other things."

Mr Saunders did not want to reveal detailed plans to his competitors, but he said he had thought of selling alcoholic drinks through Martins and Lavells. The difficulty is that this would require the permission of the licensing authorities in each area and some magistrates do not like the idea of alcohol being sold alongside sweets. Some of the newsagents' outlets may also be too close to existing sources of liquor, such as pubs, other off-licences or supermarkets.

Yesterday Guinness announced that its profits for the half-year to March 31 were £29.3m, compared with £24.3m for the same period last year. Turnover was £424.1m against £435.9m. Lord Iveagh, the chairman, said: "The acquisition of Martin is significant, principally because it widens our retailing interests into a major unit capable of good profit growth. As a board we believe that opportunities exist to apply our management and marketing techniques to specialist multiple retailing. Martin will spearhead a new drive by the company into this area."

Tempos, page 21

Lone parent wins legal right to work part-time only

A working mother has won a legal victory for the right to do her Civil Service job on a part-time basis because of her commitments as a single parent. Despite protests from her employers, the Home Office, that the sex discrimination ruling won by executive officer Sara Holmes could send shock waves through British industry, it has been upheld by the Employment Appeal Tribunal.

Ms Holmes, aged 40, the mother of two young sons, successfully complained to an industrial tribunal that the Home Office's refusal to let her work part-time amounted to unlawful sex discrimination. An appeal by the Home Office against the industrial tribunal ruling was rejected by the EAT.

Ms Holmes' victory was hailed by the Equal Opportunities Commission as an "historic judgment". An official said: "There are four million part-time workers in Britain, the majority of whom are

women. They will now have the chance to seek better part-time jobs and have time and energy left for their families.

"The court ruling gives single parents an important victory in their fight to support their families by their own efforts."

Ms Holmes, of Crofters Mead, Courtwood Lane, Forest-dale, Croydon, Surrey, works in the immigration and nationality department of the Home Office at Croydon.

She said yesterday: "It's super to have won", and added that she aimed to work a four-day week, with her pay reduced accordingly. She said she shared a house with a woman who had a child. "She helps with my sons where she can but I need to be there when they are sick."

The Home Office had urged the EAT to envisage the "shock" to British industry and our national and local government administration "faced with a possible flood of claims by women working fulltime for the

right to switch to part-time. But the EAT President, Mr Justice Waite, emphasized that the court was deciding one specific case involving Ms Holmes and the particular difficulties she had encountered in her Civil Service grade and her particular Home Office department.

The judge said it would be easy to imagine other instances, but strikingly different, where the result would not be the same and a departmental requirement that staff should work fulltime only could be justified.

The reason for the industrial tribunal's finding was that, despite changes in the role of women in modern society, raising children still tended to place a greater burden on them than it did on men.

The Home Office were given leave to challenge the EAT ruling in the Court of Appeal, and undertook to continue allowing Ms Holmes unpaid leave on Wednesdays

Law Report, page 14

Holiday village project to attract foreigners

By Derek Harris, Commercial Editor

A chain of holiday villages in Britain for tourists in their twenties from western Europe is being planned in a joint venture between Ladbrooke Holidays and Intasun Travel, part of Intasun Leisure Group.

The first village accommodating 400, will open next year at a converted Ladbrookes holiday centre near Bognor Regis, Sussex.

Mr John Jarvis, chairman of Ladbrooke Holidays, said: "This will add a new dimension to the UK holiday scene. Once the first is launched we are looking to continued expansion elsewhere in Britain."

He believes that foreign tourists will be lured to the village by the promise of a wide range of sporting, leisure and entertainment facilities on the

lines of the Club 18-30 centres abroad which have made the Intasun company market leader in its field.

● The Late Traveller, an agency specializing in late holiday bargain bookings, is offering its service to independent travel agents.

Mr Howard Wilson, a joint managing director of the agency, said: "The independent travel agent has not been able to rely on efficient notifications on late booking availability and so is being left out in the cold. This could help them."

A new company, Late Data, will offer the service and it expects to recruit at best 500 of 4,000 independent travel agents. Lists of holidays available six weeks ahead will be updated twice daily on Prestel.

Bid to alter divorce Bill clause

By Frances Gibb
Legal Affairs Correspondent

An attempt will be made today to amend the controversial "conduct" clause in the Government's Matrimonial and Family Proceedings Bill when it comes before the Commons for report stage.

The clause, described by Sir Patrick Mayhew, KC, the Solicitor General, as the "bugbear" of the Bill because of the amount of anxiety it has created, provides for courts to consider the conduct of divorcing spouses when determining maintenance, where it would be "inequitable to disregard it".

Opposition MPs, led by Mr John Morris, legal affairs spokesman, are pressing an amendment, which has the backing of the Law Society and the Legal Action Group, to allow conduct to be taken into account if courts consider there are "such exceptional circumstances" to make it inequitable not to do so.

● Labour and Conservative MPs are backing a move by the Law Society to win advocacy rights for solicitors in family proceedings in higher courts. A new clause to the Matrimonial and Family Proceedings Bill would give solicitors the same rights of audience as barristers in family proceedings.

Letters, page 13

Bombing inquest adjourned

The inquest into the death of Mrs Barbara Harrold, the victim of a parcel bomb, was adjourned at Tonbridge, Kent, yesterday. Mrs Harrold was severely injured after opening the package at her home in Ightham, near Sevenoaks, on May 21. She died five days later.

Det Supt David Surridge, who is leading the hunt for her killer, said at the hearing that the attack was not linked to the business interests of Mrs Har-

rold's husband, Gordon, who runs an arms packaging company. He added that terrorism had also been ruled out.

Mr Alan Hennah, representing Mrs Harrold's estate, asked Mr Surridge if the bomb was designed to kill. He replied: "I couldn't say whether it was meant to kill but its size and make-up indicate it was designed to cause maximum harm."

Police believe that the bomber fled to Spain.

Fast-repair car centres lead survey

By Clifford Webb, Motoring Correspondent

Motorists prefer to take their cars to specialist quick-fit centres for repairs rather than traditional garages because they get better workmanship, less time off the road and lower costs, according to a new survey of the motor trade.

But the survey organizer, Mr Harry Shepherd, a London-based marketing consultant,

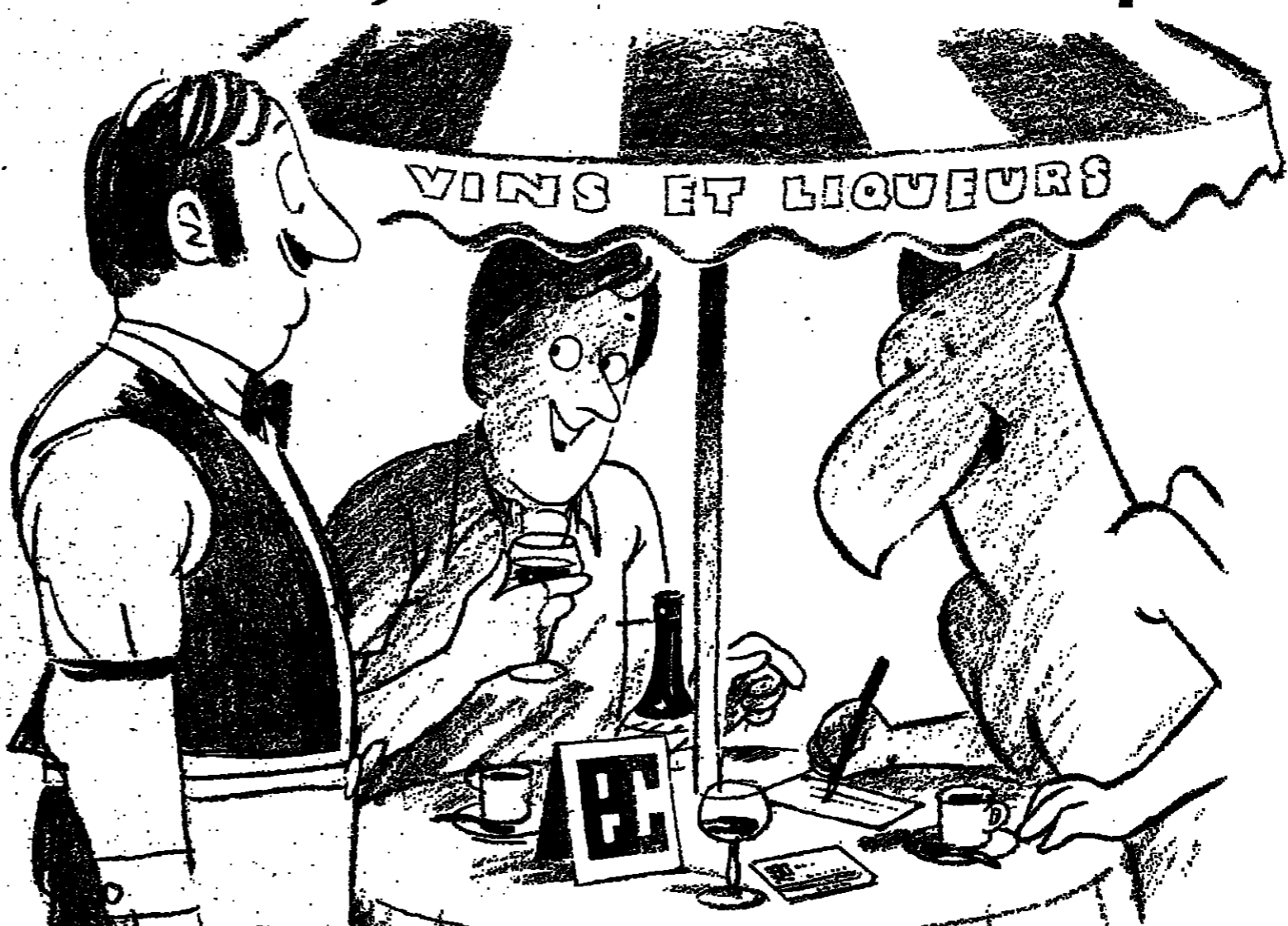
yesterday admitted that the survey is at present only sponsored by one specialist centre company. It was conducted by the Research Bureau Ltd.

The survey was based on a nationally representative sample of 300 motorists.

It reported that in the past two years work undertaken by

the centres, which specialize in tyres, exhausts, brakes, steering and suspension, had increased by 25 per cent; 66 per cent of motorists using them were satisfied compared with 55 per cent who used garages. It described as disturbing the finding that one in four of motorists who went to garages for repairs were dissatisfied

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Thatcher has no taste for beer and sandwiches

COAL DISPUTE

"Beer and sandwiches at No 10 - no, never," Mrs Margaret Thatcher, the Prime Minister, declared in the Commons when she twice rejected Opposition demands to intervene in the miners' strike to get a satisfactory settlement.

She interpreted a request from Mr Neil Kinnock, Leader of the Opposition, as being "Get both sides along to No 10 Downing Street for beer and sandwiches and then say 'Give 'em the money Maggie'".

She added that the Government would not override any decision by the nationalized industries to invoke the civil law in relation to secondary picketing by members of the National Union of Railwaysmen.

Mr Kinnock began the exchanges when he asked the Prime Minister: Does she still say on behalf of her government and party: "We are not going to intervene in the coal dispute?"

Mrs Thatcher: Yes. The phrase intervention is very, very well understood - (Labour laughter) - Mr Kinnock: I am sure you will persuade me to do it for a very long time. "Get both sides along to No 10 Downing Street for beer and sandwiches and then say 'Give 'em the money Maggie'" (Conservative laughter).

Mr Kinnock: Since the evidence of the Prime Minister's intervention for the mischievous purposes of deepening and prolonging the dispute is now obvious and proved, and since the evidence of her deceit is also proved in the way she has

continually claimed not to be involved, and is directly involved for all the wrong reasons, will she apologize for that deceit and use her power in such a way to encourage the negotiating parties to come to a speedy and mutually satisfactory result to this dispute?

Mrs Thatcher: He is asking me to intervene in a way I refuse to intervene.

Dr David Owen, Leader of the SDP (Plymouth, Devonport): In view of her proven involvement in the British Railways Board pay offer, will she spare the House the humbug of pretending she is not involved in decisions as to whether British Rail should now invoke the civil law in relation to secondary picketing by members of the NUR. What is her view with regard to that?

Mrs Thatcher: Should the nationalized industries wish to invoke the civil law, the Government would not object to their doing so.

Mr Robert Parry (Liverpool, Riverside, Lab): Would she agree that this House was deliberately deceived by the Government on the question of its intervention in the miners' dispute?

Will she now state whether the Secretary of State for Energy (Mr Peter Walker) actually said the letter from Mr Alan Turnbull, a private secretary at No 10, to Mr Henry Derwent, an official at the Department of Transport?

Does she agree Mr Walker yesterday treated this House with contempt and the NUM by saying he could not remember seeing it because it was not important?

Mrs Thatcher: I expect the Secretary of State has a great deal more to say because he is the sponsoring minister.

With regard to intervention, they are urging me to intervene by getting them to No 10. I have not and I will not do so.

I have repeatedly stated that this Government has provided £2m per day for investment in the coal mines, has seen to it that money is there for a very good deal for the miners, seen to it that there are the best voluntary redundancy terms available, and seen to it that there are extra subsidies and extra prospects for manufacturers who want to turn over from oil to coal.

If that is intervention, then yes, I have intervened. But as to beer and sandwiches at No 10 - no, never!



Parry: House deliberately deceived

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Starvation allegation denied

BENEFITS

Dr Rhodes Boyson, Minister for Social Security, vigorously denied during a Commons question time exchanges in the Commons that he was waging a vindictive and illegal campaign against the miners. The Opposition had complained of a blatant and politically motivated fiddle of the social security system in an attempt to force the strikers back to work.

Dr Boyson told Mr Peter Pike (Burnley, Lab), who began the exchanges, that he was satisfied that the DHSS could deal speedily with claims from those involved in industrial disputes and that the needs of strikers' dependants were being met to the full extent allowed under Acts and regulations.

Mr Pike is it not totally wrong that guidelines have been lightened up considerably against the miners? Is it not wrong to take into account gifts given by charitable organizations and other donations given to miners' families?

Dr Boyson: There has been no change in the regulations. All gifts of over £4 are taken into account in the case of anyone receiving supplementary benefit, not just strikers.

Mr James Coombe (Gillingham, C) said the NUM decision to pay strike pay out of its enormous reserves was totally reprehensible.

Dr Boyson: The NUM knew exactly what the position was before the strike. It was in the 1979 Conservative manifesto and became part of the law in 1983. I read in *The Financial Times* that the reserves of the NUM exceed £27m.

Mr Joe Ashton (Bassalew, Lab) said a wife whose husband was a miner and went to prison did not receive the £15 a week supplementary benefit. Some people appealing against withdrawal of the benefit had been waiting as long as 12 weeks for their appeal to be heard. It was not the NUM decision to pay strike pay out of its enormous reserves that was the problem. It was the NUM decision to pay strike pay out of its enormous reserves that was the problem.

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Dr Boyson: There is no deliberate policy. We have over 800 officers working on miners' benefits at present. There is a difference between strikers and people in prison. A prisoner cannot come out and go to work. We have to look after his wife because the husband is no longer in a position to do so.

The strikers could go back tomorrow, in which case they could look after their wives.

Mr Michael Meecher, chief Opposition spokesman on health and social security, said a secret Government document entitled *Guidance additional to that in the S Manual: Miners' Strike 1984*, loans from social work departments, smoking and health, and families for their children's cash payments from the NCB in lieu of concession-

ary coal, milk vouchers for children and one-off payments by local authorities for vouchers to miners' children are all for the first time being counted against supplementary benefit.

Miners' families are being robbed of this additional money they are entitled to. Is this not the most blatant and politically motivated fiddle of the social security system in order to try to force miners back to work and into submission?

When is the minister going to stop his vindictive campaign against the miners which is against the law? Mr Boyson: It just happens that we have a copy of that document. (Laughter) He must share his secret with me. I believe it is in the Library. If not, it will certainly be there tomorrow. (Renewed laughter)

Supplementary benefit, by definition, is supplementary to other money coming in. It has always been held that if somebody receives £4 or more in kind, in payment or in some other way, it should be counted against the benefit. There is no change by one iota in the law.

Parliament today

Commons (2.30): Matrimonial and Family Proceedings Bill, remaining stages. Lords (2.30): Debates on smoking and health; resignation at the Ministry of Defence; working of the Wildlife and Countryside Act.

Mr Antony Marlow (Northampton North, C) asked: Would she agree with the summary of the European election campaign that whereas the Labour Party - quite properly, for them - put Socialism first, and whereas the Liberals and the SDP put Europe first, the Conservative candidates are putting Britain first?

Would she agree that the Conservative candidate is committed to the retention of the national veto, in favour of increasing free trade within the Community, and against a federal system for Europe?

Mrs Thatcher: Broadly I agree with him. With regard to the veto our manifesto makes it quite clear we wish to retain it as it is.

Unremitting efforts required to sustain world recovery

SUMMIT

Last week's economic summit in London had been a workable and constructive meeting which achieved a large measure of agreement on the basic objectives of policies on both economic and monetary issues, Mrs Margaret Thatcher, the Prime Minister, told the Commons in a statement.

Mrs Thatcher said that the declaration issued after the meeting pointed out that economic recovery could now be seen to be established in the industrial countries. It was more soundly based than previous recoveries thanks to the firm policies designed to bring down inflation.

But to sustain recovery and spread its benefits further required unrelenting efforts.

We agreed therefore (she went on) to continue and where necessary strengthen policies to reduce inflation and interest rates, to control monetary growth and reduce budget deficits.

Second: As unemployment in our countries remains high, we emphasized the need for a sustained and supply of credit bringing stability and a reduction of the price of credit for industries and families in Britain.

The failure of the leaders of the industrial countries to take systematic and serious initiatives to cope with the current and growing debt crisis is an unforgivable evasion of the responsibilities which go with their immense power.

Mrs Thatcher's self-righteous approach to the poorest peoples of the third world is pervading evidence of her lack of concern for the world as a whole. It takes a length of time from the experimental stage to producing a weapon, and an enormous amount of testing.

When Mrs Thatcher talks about peace, she is speaking of nuclear peace, how is that consistent with President Reagan's entry into the state war concept of space?

Mrs Thatcher: We are all pursuing policies to take down the interest rates down. The United States has introduced reductions in public expenditure and increases in taxation which will amount to \$150bn to reduce their deficit.

With regard to the experiment that has taken place: it would be a rash person who concluded a whole future policy on the basis of one experiment. It takes a considerable length of time from the experimental stage to producing a weapon, and an enormous amount of testing.

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and to encourage more openness towards private investment flows.

The declaration as a whole sets out a global approach to the economic situation and deals comprehensively and positively with current needs and problems.

Mr Neil Kinnock, Leader of the Opposition, said: She referred to the recovery of the world economy. That is good news as far as it goes. When she said that the summit expressed the clear view that the economic strategy we have been following was right, could she tell us whether the reference was to United States' strategy or to hers, because they are opposite?

Where there are signs of life, they have come largely as a result of the expansion of the United States economy, despite her lectures to the President. Capital is being pulled to the United States of America by the vigor of its economic revival. We shall only draw capital back to Britain and Europe, without an interest rate war, if and when our economy is stimulated into similar expansion and expenditure.

Will efforts to control monetary growth exclude the raising of interest rates? If that is the intention, how will a square of this supply of credit bring stability and a reduction of the price of credit for industries and families in Britain?

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New law to curb fare dodgers in London

TRANSPORT

Travelling by bus or underground in London for an hour or a ticket will become a civil offence so that there will be no need for intent to defraud to be proved, following the insertion of a new Government clause in the London Regional Transport Bill during the report stage in the House of Lords.

Lack of Chiltern's Government spokesmen, moving the new clause, said the new system would be simpler to enforce and so reduce the amount of fare dodging suffered by London Transport.

In 1982 fare dodging had cost the transport authority £40m and although this had been reduced in 1983 by the introduction of lower fares and simpler ticketing arrangements, it was still a problem. The estimated loss was £25m. That represented a 5 per cent loss on revenue received, and added 6 pence to the fares that would otherwise have to be paid.

Unless steps are taken to place a clear obligation on travellers to pay the proper fare for their journeys, it would be impossible to achieve the savings we want to see with the new authority.

Travellers who are making a civil contract either to pay the fare or to pay the penalty fare, which would be £5 or ten times the unpaid fare, the offender could pay the sum on the spot or within 21 days.

If the traveller chose not to pay, London Regional Transport could recover the penalty fare through action in the county court.

A person would not be liable to a penalty fare if he or she had a reasonable opportunity to obtain a ticket or a deferred fare authority at the time the journey commenced.

The Secretary of State, Mr Nicholas Ridley, has authorised me to give an undertaking (he said) that the measures will not be introduced on the underground until he is satisfied that proper equipment is in place to ensure that a reasonable opportunity exists for obtaining appropriate tickets or authority to travel.

Lord Underhill, for the Opposition, welcomed the new clause which he said was likely to reduce fraud to a level of less than 5 per cent of its gross domestic product.

Mrs Thatcher: We did not in the communiqué blame most of the problems in the world on the US deficit. It is not mentioned in the communiqué. We pointed out that if one is to have a soundly based recovery one must keep down public expenditure and restrain monetary growth and deficits.

The Local Government (Interim Provisions) Bill which abolishes next year's elections to the Greater London Council and the six metropolitan councils, was read a second time in the House of Lords on Monday night. A reasoned amendment moved by Lord Hoeson (I) and supported by the Social Democratic Party, Labour, and a number of independent and Conservative peers, was rejected by 237 votes to 217 - Government majority 20.

Mr Robert Wareing (Liverpool, Derby) asked: Would Mr. Jenkins like to Liverpool to discuss plans for the local authority to achieve a balanced budget, Mrs Thatcher, the Prime Minister, said during Commons questions when asked the council to accept advice to set a rate by June 20.

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Hospital appointments

HEALTH SERVICE

The average cost of a broken outpatient appointment was between £20 and £50, Mr John Patten, Under Secretary of State for Health and Social Security, said during Commons questions. He said, however, that if patients were to be encouraged to keep their appointments it was important to look carefully at how the clinics were run.

This is mainly a local responsibility (he said) but we are considering whether the department could usefully give further guidance on the organization of outpatient appointment systems and will be discussing this with the medical profession.

Mrs Jill Knight (Birmingham, Edgobaston) said the effect on waiting lists must be great, in addition to the cost. Any patient could telephone if he or she knew

they could not keep an appointment.

Sir David Price (Eastleigh, C) said that in one Hampshire hospital 1,300 patients failed to keep their appointments in the first three months of the year. This was not unique.

Mr Patten said it was important that clinics should be run efficiently and well and that prospective patients must recognize their moral responsibility to turn up on time for appointments and not to waste resources. National Health Service responses.

Mr Michael Meadowcroft (Leeds West, L) said one reason for long appointments was that the time between the making of an appointment and the appointment date itself was lengthening in many cases.

Mr Patten said his department was discussing with the West Midlands Regional Health Authority the possibility of a bed bank experiment in that area to examine these matters.

Tories will keep EEC veto

In the European elections the Conservatives committed to the retention of the national veto in the EEC, Mrs Thatcher, the Prime Minister, confirmed during Commons questions.

Mr Antony Marlow (Northampton North, C) asked: Would she agree with the summary of the European election campaign that whereas the Labour Party - quite properly, for them - put Socialism first, and whereas the Liberals and the SDP put Europe first, the Conservative candidates are putting Britain first?

Would she agree that the Conservative candidate is committed to the retention of the national veto, in favour of increasing free trade within the Community, and against a federal system for Europe?

Mrs Thatcher: Broadly I agree with him. With regard to the veto our manifesto makes it quite clear we wish to retain it as it is.

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Mrs Thatcher: Broadly I agree

European elections • Thatcher broadcast • Food and the Vatman • Alliance gibe

Kinnock calls on Thatcher to 'come clean' on plans for VAT on food

By David Cross

Mr Neil Kinnock, the Labour Party leader, yesterday renewed his attack on Mrs Thatcher for failing to "come clean" on what he claimed were government plans to tax British food.

Taxation of food had already started with this year's Budget, Mr Kinnock told a Euro-election press conference in London. "The dyke was breached in a substantial way when 15 per cent VAT was imposed on take-away food," he said.

All the evidence pointed to a further extension of VAT after tomorrow's European election, Mrs Thatcher had agreed in principle to increase Britain's contribution to the European Community's budget and the extra money would have to come from somewhere, Mr Kinnock said.

It was true that the extra money could come from more public expenditure cuts or higher VAT rates on items already covered by the tax, he

added. But all the evidence pointed to an extension of VAT to food, construction, energy sources or children's clothing. Whatever the outcome, it was "very bad news for the British people".

Citing the Labour Party's evidence, Mr Robin Cook, the party's spokesman on Europe, said that the European Commission in Brussels was persisting with its campaign to harmonize VAT in the Community. Any harmonization would inevitably mean that Britain would have to follow the example of most EEC member states and introduce VAT on food and other items which were now zero rated.

In addition, Mr Barney Hayhoe, Minister of State at the Treasury, had said that indirect taxes would have to be extended and clearly VAT would have to play its part in this process, Mr Cook said. Finally Conservative members of the

European Parliament had consistently voted in favour of the harmonization of consumer taxes whenever the subject had come up in Strasbourg.

To illustrate the impact of a 15 per cent value added tax on various key items, Mr Cook juggled with pieces of cardboard on a board to show that the average food budget would go up by £4.50 a week.

Opening the press conference, Mr Kinnock said that the Labour Party had set the pace for the European elections with a "strong, serious and original" campaign. The Conservative performance had been "extraordinary", he said. Mrs Thatcher had hardly been seen on a campaign platform and Conservative candidates had received instructions not to appear on television. This had robbed Labour and other candidates of the chance to take part in public debates on the important issues at stake.



Mr Neil Kinnock with Labour European Parliament candidates, Mrs Christine Crawley (left) who is contesting Birmingham East, and Mrs Shirley Haines, who is standing for York (Photograph: Suresh Karadia)

Tory MEPs ruled from Downing St, Liberal says

By Our Political Staff

Mr Alan Beith, the Liberal Chief Whip in the Commons said yesterday that Conservative MEPs elected to the Strasbourg Parliament were subject to dictation by Mrs Thatcher in London.

"It is clear that anyone elected as a Conservative to the European Parliament will not be free to represent his constituents as he sees fit", Mr Beith told journalists at the Liberal/SDP Alliance press conference in London.

The evidence was provided quite openly by Sir Fred Catherwood, Conservative MEP for Cambridgeshire, when, as spokesman for the European Conservative group, he explained his reasons for declining to vote for a report and resolution on Northern Ireland.

Sir Fred had said: "If I were a free agent, I would vote for this report. However, I and my colleagues cannot get over the fact that we are here as members of the British governing party".

Mr Beith said it was clear that the Tory group had received one of those little letters from 10 Downing Street of the kind that were reproduced in the press a week ago.

"That sort of dictation from 10 Downing Street to Conservative MEPs is going to continue," he said. "So much for the responsibility of the elected MEP to constituents."

Dr David Owen, leader of the SDP, said that foreign ministers from the Western European union countries were meeting to discuss strengthening European defence, at a time when the British Government was proposing to cut defence spending more savagely than any other Conservative government in postwar history.

"It is extraordinary how little concern has been expressed about the impending setback," he said. "Next year, defence spending will increase by only 1.7 per cent over this year's total and in 1986-87 there will be a 0.5 per cent reduction."

This was a rejection of the 1978 Nato agreement to increase by 3 per cent a year, said Dr Owen. The cuckoo in the nest was the Trident programme. To meet its cost, other defences had to be cut.

Aggressive stance by Prime Minister

By Our Political Staff



Mrs Thatcher earlier in the campaign: "If we need Europe, equally Europe needs us. For no country has done more for Europe over the years than Britain."

Mrs Thatcher, outwardly calm and peaceful, injected a touch of aggressive patriotism into the Conservative Party's Euro election party political broadcast on television last night.

Before she appeared, a potted film history of developments in Europe since the end of the war, emphasized the efforts to create a new unity to replace the enmities of the past.

"Although we may never have thought of ourselves as European, twice this century we in Britain have given our lives and energies to saving 'Europe', the commentator said.

Mrs Thatcher paid tribute to the support by European partners at the time of the Falklands invasion. "But if we need Europe, equally Europe needs us. For no country has done more for Europe over the years than Britain."

There had been problems, and they had to be sorted out,

"Our contributions to Community funds, for instance", Mrs Thatcher added. "They have been our of all proportion to our national income."

"By fighting Britain's corner, this Conservative Government has already won back for Britain refunds of over £2,000m. and they've been paid. But these budget battles have had to be fought almost every year. That's no way to do things among friends. We must have a long term arrangement - a fair deal," she said.

"That's all we are asking for. It's reasonable, it makes sense, and I think our partners know it."

The party's main opponents did not even believe in the Community, she said. The other opponents (the Alliance) believed in Europe but were prepared to weaken Britain, for example by undermining its power of veto.

"Both our opponents are wrong," she said.

Constituency profile: London South Inner

Acrimony over candidate's Irish links

By David Cross

The photograph on Mr Richard Balfie's election poster portrays him in a neat suit, hands in pockets and exuding the kind of affable self-confidence which comes from several years as a Labour member of the Greater London Council and five in Strasbourg as the member for London South Inner.

But it is not quite the image which his Conservative opponent, Mrs Doreen Miller, has been trying to get across to the electorate in the run-up to the European elections tomorrow.

She says: "It is a disgrace that a person like that is representing this area. This constituency has been represented by a guy who has no right to be there."

The source of Mrs Miller's ire is Mr Balfie's occasional contacts with Sinn Fein and Noraid, the Irish American organization which is known to have raised funds to help buy arms for the IRA.

As a Tory who has "become more and more concerned at the leftward drift of the socialist

party", she regards her first election campaign as an ideal opportunity to get rid of people like Mr Balfie.

Mrs Miller, whose youthful looks and boundless energy belie her 50 years, is a self-made woman in the Thatcher mould. Married to a north London solicitor, she started her own mail order cosmetics firm 12 years ago after bringing up three sons. Her firm has branches in West Germany and Australia and a factory in Wales.

A committed European, she believes that her knowledge and experience in creating and managing new businesses would be invaluable in Strasbourg, and also for tackling unemployment in a constituency where the number of jobless has tripled during the past three years.

On paper at least, Mrs Miller needs only a 3 per cent swing against Labour to oust Mr Balfie. During the final stages of her campaign she and her party workers have been concentrating their efforts on getting potential Conservative voters to

the polls in areas such as Dulwich, Norwood, Lewisham and Streatham where they are thickest on the ground.

Mr Balfie, who is drawing on the organizational skills he learnt in the Territorial Army to mastermind his second Euro-election campaign, has carefully avoided any personal attacks on Mrs Miller and his Alliance and Ecology opponents.

With an Irish background and most of his family still living in the republic, he has always taken a deep interest in trying to end the violence in the North, he says. He believes that "after 15 years of bloodshed, we won't find a solution without talking to all the sides."

Mr Balfie says that he is fighting a "very, very positive campaign" on the basis of his record in Strasbourg and Mrs Thatcher's record in Britain. More than half the EEC's social fund projects in London have to come to his constituency for schemes to retrain the young, the unemployed, women and the handicapped, he points out.

June 14 is "a golden opportunity to have a go at Mrs T", he tells a hesitant young black woman outside the Oval Underground station where he and his campaign workers have been handing out leaflets during the past week. "We're much more likely to help you than the other lot".

Mr Jim Daly, the SDP candidate and a former Labour colleague of Mr Balfie on the GLC, is almost as scathing as Mrs Miller about his Labour opponent's connections with Sinn Fein. It is "grotesque" to seek to manipulate the Irish situation to his own advantage, he says in a reference to Mr Balfie's original agreement, later abandoned, to speak during the campaign on the same platform as a leading Sinn Fein activist.

A senior lecturer in business studies at North East London Polytechnic, Mr Daly has tried to ensure that his election addresses reach people's homes rather than join the "confetti" of other election material in the gutters of south London streets.

THE LEGEND GROWS AT THE CZECH GRAND PRIX.

Jaguar's Triple Hat Trick: 1st, 2nd & 3rd at Brno, Czechoslovakia, 10th June, 1984.*



- See what happens when Jaguar gets into stride:
- Jaguars placed 1st, 2nd and 3rd at Brno.
 - Jaguar's third successive victory at Brno: 1982, 1983, 1984.
 - Jaguar's third successive win in 1984 championship.

Jaguar is winning the 1984 European Touring Car championship in spectacular style.

Last weekend, in a gruelling 500km race at Brno, the Jaguar XJ-S racing team took first, second and third places at the Czech Grand Prix, sweeping the board for the second time this season.

Such excellence on the motor racing circuit promises supreme excellence on the road. For Jaguar is racing on to greater and greater success by breaking sales records worldwide.

This year, Jaguar world sales are already up by over 13%. Many of the factors that have led to this continuing success and the unique reliability and performance of the Jaguar range of luxury and specialist cars are directly attributable to the innovations and refinements pioneered on

the race-tracks of the world. The last three years of sustained effort have seen the Jaguar XJ-S racing team stamp their authority on the ETC championship with 13 outright victories.

Encouraged by these successes, Jaguar are about to embark on a second racing programme. Next week at Le Mans, the whole cycle starts again when the prototype Jaguar sports cars, mark Jaguar's return to Group C endurance racing.

Every Jaguar, on road or track, reflects the racing success of the Jaguar legend. It's but one of the reasons why no other car reflects your success like a Jaguar.

So now there are two Jaguar teams ready to take on the best in the world.

See them race, and watch the legend grow.

Le Mans, France	16th & 17th June
Zeltweg, Graz, Austria	17th June
Salzburg, Austria	1st July
Nurburg, Germany	8th July
Spa, Belgium	28th & 29th July
Silverstone (TT), UK	9th September
Zolder, Hasselt, Belgium	23rd September
Mugello, Florence, Italy	21st October

*Subject to official confirmation.

JAGUAR The legend grows

First Comecon summit for 15 years opens amid strict secrecy

From Richard Owen, Moscow

President Chernenko yesterday opened the first Comecon summit for 15 years in conditions of strict secrecy which contrasted with the glare of publicity surrounding last week's Western summit in London.

Mr Chernenko gave an opening address but details were not reported in the Soviet media. Soviet officials said that details of the three-day talks would not be given until the final day. Yesterday the summit was chaired in the morning by President Todor Zhivkov of Bulgaria, a loyal Kremlin ally, and in the afternoon by Mr Janos Kadar of Hungary, who favours liberal economic policies.

The last fully fledged Comecon summit was followed two years later by a Soviet bloc summit in Bucharest. But this is discounted by observers, since it was not held under the Comecon label and did not lay

COMECON PROFILE

Members: Soviet Union, East Germany, Poland, Czechoslovakia, Hungary, Bulgaria, Romania, Vietnam, Cuba, Mongolia.
Founded: January 1949.
Full title: Council for Mutual Economic Assistance.
Last summit: 1971 in Bucharest.
Headquarters: Moscow.
It differs from the EEC in having no supranational institutions.

down policy on economic coordination and integrating.

Conflicts between Russia and its allies over integration have prevented Moscow from convening a Comecon summit to map out the next phase. Soviet officials say the moment is now "convenient" for a summit, although some member states - like Hungary - made it clear on the eve of the summit that they will develop internal reforms and close links with the West in the face of Soviet objections.

East European sources said yesterday that an agreed for-

mula, including a political declaration, had been hammered out over the past year and would be adopted automatically.

There was surprise at the absence from the summit of President Castro of Cuba, who sent Senator Carlos Rafael Rodriguez, the vice-president, in his place. Sources said this reflected President Castro's view that the summit declaration would be a formality and not an expression of the real issues.

Yesterday's opening session observed a minute's silence in memory of Signor Enrico Berlinguer, the Italian Communist leader, who had taken a firm "Eurocommunist" line independent of Moscow. Mr Chernenko has sent a message of condolence to Signor Berlinguer's widow, describing his death as a "heavy loss".

The summit opening also coincided with the unveiling of a plaque in memory of President Andropov, at his Moscow residence.

Gaddafi's terror threat to US

Colonel Gaddafi, the Libyan leader, has claimed that his country could export terrorism to the heart of America (Reuters reports).

In a broadcast speech at Misratah Air Base - the former US Air Base - he referred to foreign press reports which he said reflected US involvement in a plot to carry out sabotage and assassination in Libya.

"We are capable of exporting terrorism to the heart of America. We are also capable of physical liquidation and destruction and arson inside America. If we have to export terrorism we shall export terrorism to it," Colonel Gaddafi declared.

His speech, monitored by the BBC, marked the fourteenth anniversary of the closure of US bases in Libya.

He said the United States must have been involved in anti-Libyan plotting because conditions inside the country gave no cause for opposition.

Libya has alleged that members of an armed group captured by security forces in Tripoli last month confessed they were recruited by the CIA for large-scale sabotage in Libya. It has also declared that it will form suicide squads to kill Colonel Gaddafi's opponents abroad.

West Bank is top issue for Shamir

From Christopher Walker, Jerusalem

Mr Yitzhak Shamir, the hawkish Israeli Prime Minister now fighting to see his right-wing Likud coalition returned for a third term, has pledged to attempt to make the future of the occupied West Bank the central issue in the campaign for next month's general election.

Launching the campaign at a rally on Monday night, Mr Shamir said his Government would be emphasizing the dangers it seems in the main opposition Labour Party's plan for territorial compromise with Jordan. "We shall tell every voter that it is in his hands to decide the fate of the land of Israel," he said.

The absent figure of Mr Menachem Begin, Mr Shamir's predecessor and the giant of modern Israeli politics, was constantly introduced into the proceedings by the rhythmic chants of his name which echoed through the large convention hall packed to capacity.

Likud leaders said later they still did not know whether the former Prime Minister would agree to make an election broadcast.

The other name to fill the air was that of Mr Ariel "Arik" Sharon, the former Defence Minister who was hailed with loud cries of "Arik, Arik" at

Unpredictable election, page 12

Militia bombardment leaves 83 dead and 213 wounded

Lebanon MPs endorse Karami rule

From Robert Flak, Beirut

On a hot and mournful afternoon of fear and funerals, the Lebanese Parliament at last voted yesterday to install Mr Rashid Karami's pro-Syrian Government in Beirut, ensuring that power will finally be redistributed between Muslims and Christians after nine years of civil war and more than 60,000 dead.

In a savage attempt to prevent the vote of confidence being taken, the militias of Beirut killed 83 people and wounded another 213 in a bombardment that covered the entire city in the 24 hours before Parliament held its last sitting.

Hurried search for an heir to Berlinguer

From John Earle, Rome

The Italian Communist Party's Central Committee is expected to meet after Sunday's European elections to discuss who should succeed Signor Enrico Berlinguer, the party secretary, who died on Monday after a brain haemorrhage.

The party has been caught off balance by his death. There is no deputy secretary or heir apparent, as there was when Signor Berlinguer succeeded Signor Luigi Longo.

For the time being the party is under a collegiate leadership who are busy organizing today's funeral.

Party officials believe that about two million people will converge on Rome for the funeral, making it the biggest gathering ever seen in the capital. Special trains and buses are being provided, and ships from Signor Berlinguer's island of Sardinia.

The mourners will be addressed by non-Communist speakers, including Mr Pieter Dankert, President of the European Parliament, and by Signor Marco Fumagalli, secretary of the Communist Youth Movement, and Signor Giancarlo Pajetta, of the party directorate.

Signor Pajetta is a veteran of the leadership but is not in the running for secretary. A stronger candidate is Signor Alessandro Natta, chairman of the party's council, who took Signor Berlinguer's place in the party's television broadcast for the European election campaign.

Signor Natta, aged 66, is a teacher and essentially a party man. He would have the advantage, in the view of one Communist deputy, of ensuring continuity with the Berlinguer line and party unity.

Other names mentioned include Signor Renato Zangheri who made a reputation as Mayor of Bologna, Signor Alfredo Reichlin, responsible for the economic department, and Signor Giorgio Napolitano, floor leader in the chamber of deputies. All are aged 59, and the preference may be for a younger man.

The new leadership will have to think about where the party is headed. It is, in a popular phrase, "in the middle of the ford": the shore of Moscow is well behind, but the shore of democratic participation in government is not yet in sight.

But those most opposed to the legislative reforms and those most likely to lose by them - the Christian militias - still have no truck with the Government's Syrian-sponsored authority, and it is a fact that many hundreds more, probably thousands, are going to die in Lebanon.

Even as Mr Karami was making an emotional appeal for unity "and God's mercy for those who have been killed", the boom of rocket-propelled grenades could be heard from the funeral corteges of the dozens of civilians slaughtered in Monday's shelling, the militias providing their uniquely Lebanese obsequies to the grief in both parts of Beirut.

The streets lay empty, the shops closed, more out of fear of further bombardments than mourning, though only a few young men fired off their mortars from the port and the tennis courts behind the American University campus.

Fifty-three of the 71 parliamentary members who turned up to yesterday's debate voted in favour of the Karami Administration. Fifteen voted against, three abstained and 19 never bothered to put in an appearance to hear the Prime Minister announce, not untruthfully, that "our salvation is in our hands - there is no other alternative".

Parliament was then extended for a further two years -

even though nine of its members have died in the past 14 years - while the Government was given power to "cancel or amend" all legislative decrees introduced by Mr Chafic Wazzan's former Cabinet.

Mr Karami cannot yet introduce reform legislation - this remains Parliament's job - but the vote of confidence effectively means that the substantial demands of the Muslim opposition for a lessening of Christian control over the Army and Civil Service will now have to be met, at least on paper.

Outside Parliament, less dignified rivalries were still going on a few blocks away. Sniper fire crackled from the

ruined apartments to the west, as if the idea of legislative reform was a meaningless ritual rather than an historic step toward some kind of peace.

The last parliamentary sessions before the vote will certainly never be forgotten, for the bombardments that accompanied them were among the most indiscriminate in more than a year. Wounded lay bleeding across the corridors of the large hospitals on Monday night, at so fearful a rate were the maimed brought in.

The shells had landed in almost every civilian quarter. According to the Beirut daily *As Safir*, 85 per cent of the dead were killed in the Muslim western sector of the city.

Peking tells of border raid from Vietnam

Peking (Reuters) - China said last night that its frontier guards had beaten back six incursions by Vietnamese forces into Yunnan province, with the intruders suffering heavy casualties.

The incidents occurred in the Laoshan and Balihong areas of Malipo county in eastern Yunnan, scene of frequent violent border clashes in recent months. The New China News Agency said Vietnamese shelling began early on Monday and was followed by two attacks on the Chinese front line in company and platoon strength.

Train crushes Chinese troops

Peking (AP) - Three Chinese soldiers being photographed against the backdrop of an on-rushing train were run over and killed when they ignored the train's siren.

The newspaper, *China Law*, carried the photograph on its front page, showing three People's Liberation Army men standing on the tracks, their arms linked, less than a second before the train hit them.

Arab walkout

Geneva - Arab delegates walked out of the 150-nation International Labour Conference when President Luis Alberto Monge of Costa Rica mounted the rostrum. The protest was against the transfer of the Costa Rican Embassy from Tel Aviv to Jerusalem.

Seven executed

Abidjan (AFP) - Seven people were executed early yesterday in Upper Volta after being convicted of plotting to overthrow the Government. Ouagadougou radio said in a report monitored here.

Rough justice

Khartoum (AFP) Two thieves had their right hands and left legs cut off in public here yesterday as Sudanese courts continued the strict application of Islamic *Sharia* law imposed last September.

Musician held

The Leningrad Christian rock musician Valeri Barinov, has been under forced psychiatric confinement in the city for the past three weeks, according to Keston College, the Kent-based institute which studies religion in Eastern Europe.

Hongkong talks

Peking (AFP) - The sixteenth round of Sino-British talks on the future of Hongkong opened here yesterday.

Botha criticized

Rome (AP) - Signor Bettino Craxi, the Italian Prime Minister, yesterday told his South African counterpart Mr P W Botha, that the policy of racial segregation was unacceptable and political prisoners should be released.

Vanishing tiger

Jakarta (Reuters) - The Royal Bali Tiger has died out on the Indonesian island although a few may still exist in East Java. The official Antara news agency yesterday said. Two were shot dead by hunters last year and none had been seen since despite an extensive search by zoologists.

Fans still held

Brussels - A Belgian prosecutor has blocked the release of three Tottenham football supporters detained after the UEFA Cup final against Anderlecht on May 9. Two Britons and an Irishman will remain in prison, pending another hearing in a fortnight.

Suicides up

Tokyo (AP) - Record numbers of Japanese killed themselves or divorced in 1983, according to Welfare Ministry statistics released yesterday. The 24,970 suicides marked a 20.8 per cent increase over 1982 and 179,160 couples - 15,190 more than in 1982 - were divorced.



Smiles and stripes: Traditional costume for the Swiss Guards

Low-key welcome for Pope

Zurich (Reuters) - The Pope, beginning the first pastoral visit to Switzerland by a head of the Roman Catholic Church since 1418, called yesterday for greater unity between the divided Catholic and Protestant faiths.

He began his six-day visit in Zurich, which helped lead the Reformation breakaway from Rome four centuries ago, and said the unhappy divisions and polarizations separating Christians were painful.

The Pope said he prayed that meetings he plans with Protestant and Orthodox

churchmen here would "deepen our mutual understanding and strengthen our common witness of faith".

Journalists who had accompanied the Pope on other foreign tours described the welcome in Zurich, where the reformer Huldrych Zwingli defied the authority of Rome in 1532, as polite but low-key.

After kissing the ground at Zurich airport, where he was greeted by President Leon Schlumpf, the Pope flew to the Italian-speaking city of Lugano, south of the Alps, to

celebrate Mass before 25,000 people in a sports stadium.

The atmosphere warmed in Catholic Lugano, close to the Italian frontier. Thousands of people lined the route from the airport to watch the Pope drive past in his armoured "popemobile".

"Each of the churches in your homeland, while living the life of the whole church, of the church that is one throughout the world, a holy, Catholic and apostolic church", he said in a sermon delivered in brilliant sunshine.

Democrats fear backlash on immigration Bill

From Nicholas Ashford, Washington

After two years of acrimonious wrangling, procedural delays and charges of racism, the House of Representatives has finally voted to begin a debate on a comprehensive immigration Bill.

Although the Democrat-controlled House voted by an unexpectedly large margin of 291-111 to go ahead with the debate, many Democrats fear the issue could rebound against them in the forthcoming election campaign, particularly in areas where there are large numbers of Hispanic voters.

The Bill, known as the Simpson-Mazzoli Bill, is primarily intended to control the huge increase that has taken place in illegal immigration from Central America and the Caribbean in recent years.

Last year US border guards seized two million illegal aliens. Millions more managed to slip

past them and either took up temporary jobs or joined others who have settled permanently, albeit illegally, in the United States.

The Bill, arising from recommendations by a select commission on immigration appointed by President Carter in 1978, has two main features. It would grant an amnesty to the millions of illegal immigrants who have lived in the United States since January 1, 1982, and allow them to apply for permanent resident status. But it would impose fines on employers who knowingly hire illegal immigrants in the future.

The Bill was passed 76 to 18 by the Senate in August, 1982. It has been bitterly opposed by Hispanic organizations and by Hispanic members of Congress, who fear it would cause employers to discriminate against all Hispanics.

Pastora gives Managua an ultimatum

Caracas (Reuters) - The wounded Nicaraguan rebel leader Señor Eden Pastora said yesterday he would return to battle unless the left-wing Sandinista Government in Managua gives democratic guarantees.

"If there is a plan to permit democratic opposition I will stop making war. But if not, there is no alternative but to go back to the mountains."

Señor Pastora, military chief of the Revolutionary Democratic Alliance (Arde), was deported to Venezuela from Costa Rica after he received burns and a leg wound

Philharmonic's director sent on indefinite leave

From Our Own Correspondent, Bonn

Herr Eberhard Diepgen, the Mayor of West Berlin, told a press conference yesterday that Dr Peter Girth, the controversial director of the Berlin Philharmonic Orchestra, is to be sent on indefinite leave, and will not return before his contract expires next year.

The move was one of the main demands of the Orchestra in its bitter quarrel with Herr Herbert von Karajan, aged 76, the Philharmonic's conductor for life, who until now had expressed his confidence in Dr Girth.

Washington rejects offer of 'star wars' talks

From Our Own Correspondent, Washington

The United States believes the Soviet Union is insincere in its call for negotiations "without delay" on a pact to ban the use of anti-satellite weapons.

Senior Administration officials said they were convinced that President Chernenko had no intention of abandoning Russia's advantage in anti-satellite weapons. The official White House response was that it would study Russia's offer.

The real response, however, was demonstrated graphically in a small, locked room in the Senate yesterday. Inside, Congressmen were given a closed-session look at night classified photographs of two Soviet

facilities that could supposedly attack US satellites with laser beams and missiles.

Intelligence officers claimed that the Russians had recently interfered with US satellite operations, such as jamming US electronic-intelligence satellites by overloading them with radar beams from ground sites. Additionally, they said US photo-satellite was blinded with a laser beam.

Americans' biggest objection to the Soviet offer is the inadequacy of verification procedures.

The burn-up, page 12
Leading article, page 13

Yugoslav party told to confront its critics

From Desza Trevisan, Belgrade

The Yugoslav Communist leadership yesterday denied that there was a conflict between the Communist Party and the intellectuals, or indeed that the party was set on curbing freedom of expression. But, at the same time, the leadership called upon Communists to be more united and determined in the face of growing political and ideological opposition.

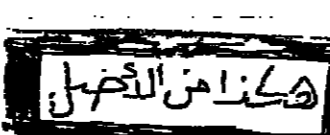
Mr Ali Suljic, an Albanian from the Kosovo region who was under the revolving system, will for the next 12 months chair the party Presidium, told the Central Committee that representatives from each of six constituent republics paid lip service to programmes but failed to implement them.

anti-Communists and opponents of all kinds had been missing "genuine democratic freedoms".

His remarks were in answer to the current flurry of petitions for respect of human rights and, more recently, to protests over the arrests of dissidents in Belgrade.

Until recently the political climate in Belgrade had been more relaxed than elsewhere, and Serbian politicians were taking a more tolerant attitude to criticism and dissent. This clearly met with opposition in other parts of the country.

● BELGRADE: Three Yugoslav dissidents who have been on hunger strike in prison for almost three weeks were yesterday said by their families to be in very poor health (Reuters reports).



Sikh mutinies in Army die away but toll in Amritsar tops 1,200

From Michael Hamlyn
Delhi

The Indian authorities breathed a sigh of relief yesterday as the spate of Sikh "mutinies" in the Army appeared to come to an end. There had been outbreaks of trouble which affected up to 2,000 young soldiers in eight barracks towns across the country, but by last evening all were under control, according to a government spokesman.

Unofficial sources estimated that as many as 46 mutineers or civilian extremists accompanying them had been killed as road blocks were thrown across the paths the deserting soldiers were taking to Punjab.

The first mutiny took place in Ganganagar in Rajasthan and was heavily denied by the Government which maintained to the last that those involved were terrorists in stolen uniforms. However, local correspondents report that the deserters were men of the 8th Sikh Regiment and two soldiers were killed as they were intercepted on the border with Punjab. According to army sources in Ganganagar, 300 men were involved. They were intercepted by men of the Rajput Rifles, actually inside Punjab.

In Pune, according to Major-General Deshpande Singh, Chief of Staff of Southern Command, the young Sikh soldiers were inflamed by civilian agitators who told them their womenfolk were being raped, their families harassed and their holy temple defiled in Punjab. They seized lorries and drove off towards Bombay, hoping to hijack a plane to Amritsar.

Six of the lorries were stopped at Mumbai in Thane, and two people, one on each

Big role for Sikhs in the forces

The Indian Ministry of Defence declines to disclose any breakdown of its forces by ethnic origin or religion but the best estimates are that from 9.5 per cent to 12 per cent of the 1.1 million strong armed forces are Sikhs. There are Sikh-only regiments but the ministry declines to say how many. Punjab regiments are 50 per cent Sikh.

The Sikhs are heavily over-represented in all forces. Sikhs represent only 2 per cent of the Indian population of 706 million. In Punjab they make up 52 per cent of the population, which totals 17 million.

side, died in the exchange of fire that followed. Three other lorry loads sped into Gujarat, where they were eventually stopped yesterday in Surat. Thirteen deserters were killed there.

A more serious revolt took place at the Sikh regimental Centre at Ramgarh, near Ranchi in Bihar. Eleven people were killed before a group of these deserters who had earlier killed their own commander, Brigadier S. C. Puri, a Hindu, were recaptured. The dead included a police sub-inspector in charge of the police party which waylaid them in Nowgong in the Chhatisgarh district of Madhya Pradesh.

Soldiers at Bagbassa, just outside Dharmanagar in Northern Tripura state, were reported to have opened fire after listening to "a foreign radio broadcast". The senior police official in the area said there had been no casualties, but the mutineers had left the camp they were in.

There was "minor trouble" in Alwar in Rajasthan, when soldiers stole two lorries and headed towards Punjab. At least one deserter was said to have been killed before the desertion was stopped.

There was also a minor outbreak in Jammu and Kashmir at Ransinghpur, and across the country at Siliguri in the north of West Bengal. There the deserters were persuaded back into barracks without any firing. Another mini-revolt was thwarted in Calcutta when trouble broke out in a Sikh regiment in Fort William. Twelve arrests were made but a handful of other deserters ran off, including one wounded. He was denied entry to a local Sikh temple.

Meanwhile, the death toll in Punjab itself continues to rise. According to reporters in the troubled state who have spoken to unofficial police and army sources, the number killed in the Golden Temple has reached 1,000, plus 220 members of the security forces. According to one report the dead include 115 women and children.

The reporter spoke to doctors at a local hospital who conducted perfunctory post mortems on about 400 bodies. He said that of the 400, 100 were women and between 15 to 20 were children under five. One was a two-month old baby. The doctors said that when one extremist in the pile of bodies was found to be alive a soldier shot and killed him.

More than 6,500 suspects have been rounded up since last Monday, 1,200 of whom are kept in the compound of the central school. Twenty-seven prisoners were killed when they made two separate escape attempts.

Greece to change law on British landowners

From Mario Modiano
Athens

Greece has prepared draft legislation recognizing the ownership of real estate bought by about 1,000 Britons on Corfu despite a 1927 decree barring foreigners from acquiring land in Greek frontier areas.

According to an authoritative source, the draft Bill "amending and clarifying" provisions of the original restrictive legislation was ready to be tabled as soon as Parliament resumed on June 27, after the recess for the European elections. "It regulates the position of British landowners in Corfu", the source said.

The Government's intention to amend the relevant law soon was invoked in a Corfu court yesterday to obtain a postponement of the hearing of two claims by former Greek owners to regain possession of Corfu property they had sold to British interests more than a decade ago.

Most British owners in Corfu bought land in the late 1960s and early 1970s with official Greek encouragement and advice on how to set up Greek-based limited liability companies in order to circumvent the ban on foreign ownership. The former owners are invoking a Supreme Court ruling issued in April last year which said that the 1927 ban was valid in the case of Greek-based companies that were effectively controlled by foreign interests.

The two hearings which the court agreed to postpone until November 11 concerned Kouloura Beach, a development estate in which Mr Jacob Rothschild, the London banker, has an active interest, and a one-acre property bought in 1970 and owned by Mrs Rosemary Tuckey and her two sons in The Kassopi district, both in the north of the island.



Behind bars: Negri before he fled

30 years for absent leftist

From John Earle, Rome

Signor Toni Negri, the central figure in the "April 7" group of extreme left-wing intellectuals, was sentenced here yesterday in his absence to 30 years imprisonment for complicity in murder.

Of 70 other defendants accused with him of offences connected with terrorism, 39 received lesser terms. Signor Negri, a lecturer at Padua University, was elected as a radical parliamentary deputy a year ago. This gave him immunity from prosecution, as a result of which he was released and fled to France.

Ministers dismayed

Quebec party opts for independence

From John Best, Ottawa

The Parti Québécois, faced with a precipitous decline in popular support, has decided to nail its colours to the mast for Quebec independence from Canada.

At a weekend convention in Montreal, the party, which has held office in the predominantly French-speaking province for nearly eight years, decided to make independence the central issue in the provincial election, expected next year.

Several moderates in the Cabinet of Mr René Lévesque, the Premier, have expressed dismay at the action, fearing it will antagonize voters at a time when the party needs all the help it can get.

About 80 per cent of the 1,600 delegates supported a resolution which said a vote for the party would be a vote for independence and a mandate for separation would be considered more than half the popular vote. Ministers were divided over whether the clearest stance would damage the Quebec Government's reelection chances. Many were

convinced, however, that it would do nothing but harm.

A typical lament was voiced by Mr Clément Richard, Mr Lévesque's Cultural Affairs Minister, who said the resolution would distort the way people voted. "If we had an election tomorrow, I would not be a candidate", he said.

Mr Lévesque opposed the resolution - the handiwork of hardliners who have long felt the party is too timid on its proclaimed goal of Quebec sovereignty. But the Premier tried to put the best face on matters, telling reporters that once the election was called, independence would be what everyone was talking about anyway.

The party lost an independence referendum in 1980 by a decisive margin, but won reelection the next year on a good-government platform. A recent opinion poll indicated that its political fortunes have since plummeted. It trails the opposition Liberals by 69 per cent to 23 per cent among committed voters.

Court ready for second phase of Galtieri trial

From Douglas Tweedale, Buenos Aires

The military court trying General Leopoldo Galtieri and other former officers for Argentina's 1982 Falklands defeat has ended summary proceedings, moving the six-month trial a step closer to a final decision that Defence Ministry sources say could take a further six months.

The president of the Supreme Council of the Armed Forces, Argentina's highest military tribunal, announced that the court had finished collecting evidence against General Galtieri and 15 other officers accused of military crimes ranging from negligence to cowardice.

He said the trial would now move into a new phase in which military prosecutors are to present the charges against the accused and in which the officers are to present their defence.

A Defence Ministry official said: "There is no way to predict how long this process will take, but you would not be far off if you said (until) November or December."

General Galtieri, the former President, Admiral Jorge Anaya, the former Navy commander, and Brigadier Basilio Lami Dozo, the former Air Force chief, were placed under arrest by the Supreme Council

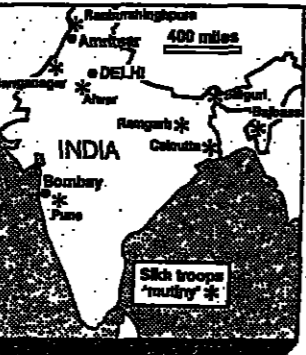
Foreign press irritates Delhi

From Our Own Correspondent
Delhi

At a press briefing on the Punjab crisis, Mr M. M. K. Wali, the Indian Home Secretary and senior civil servant in the Home Ministry, complained bitterly about coverage in the foreign press which described the Indian troops as having "stormed" the Golden Temple in Amritsar.

"If the temple had been stormed", he said, "our casualties would not have been as high as they were."

Not wishing to get into a semantic argument, most of the foreign correspondents there let him have his say, and went out and continued to describe the event as a "storming". But



the complaint shows that the Government is particularly sensitive to what appears in the foreign press. It is even more sensitive to what appears on the BBC's

World Service programmes, since India's own radio and television service is slavishly servile to the Government.

Newspapers here have quoted commentaries both on the BBC and in the British press with approval, but a report of the London correspondent of the Press Trust of India (PTI) said that "most of the reports from India as well as London have been factual, but a total lack of understanding of the problem and sensationalism were apparent in some of the comment".

The report quoted leading articles from the *Financial Times*, the *Guardian*, *Daily Telegraph* and *The Times*, without identifying which it took exception to.

Slowdown in world population

By Patricia Clough

Rapid population growth combined with economic recession are causing developing countries to over-exploit land for food and fuel, according to a United Nations report published today. The result is a deteriorating human and natural environment.

The State of the World Population, 1984, confirms that the population growth is slowing down. Deaths are expected to balance births by the year 2100, stabilizing at about 10.2 billion people - two and a quarter times the present 4.76 billion.

However, the populations of many developing countries are still rising steeply, undermining economic progress, reducing incomes and diminishing the quality of life for millions, according to the report's author, Mr Rafael Salas, head of the UN Fund for Population Activities.

Between 1980 and 1982, the economies of developing countries grew by only 1.9 per cent a year, mainly because of the economic crisis and cuts in international aid. At the same time, their populations increased by 2.02 per cent.

At that rate, it would take 70 to 90 years for the poorest countries to double their per capita income while within 35 years or less, their populations will have doubled.

Nevertheless, efforts to curb the growth are clearly working. The average number of children per woman worldwide has declined from 4.5 in the period 1970-74 to 3.6 since 1980.

The decline in developing countries has been smaller, however - from 5.5 to 4.1 - much of it accounted for by birth-control programmes in China and other countries which have cut fertility rates by about 20 per cent.

In Africa, where the average is 6.43 children, the rate has not fallen, and in some countries it has actually risen.



Proud mother: Princess Caroline of Monaco, leaving hospital with her new son, accompanied by her father, Prince Rainier

Marcos has open mind on deal for accused priests

From Keith Dalton, Manila

President Marcos said yesterday he is still "open to suggestions" on how to resolve the controversial multiple murder case against two foreign priests who last week rejected a conditional presidential pardon.

Mr Marcos said he was reluctant to discuss the case while the trial was under way in the central Philippines island of Negros.

"I would suggest that if there are any more initiatives they be taken up with the Minister of Justice so that he can act on them and recommend to me what should be done. I'm open to suggestions, Mr Marcos told reporters at the presidential palace.

The offer of a presidential pardon, issued on the condition that Father Niall O'Brien from Ireland and Father Brian Gore from Australia leave the Philippines, was rejected on Friday during a 45-minute meeting between defence and prosecution lawyers.

"A pardon implies guilt," Mr Juan Hagad the defendant's lawyer, said after the meeting. He is demanding instead an outright dismissal of the case against the two Columbian missionaries who have served in the Philippines for more than 15 years.

The priests and six lay leaders have pleaded not guilty to the murder two years ago of a town mayor and four other men. They were arrested 13 months ago and their trial began in February.

President Marcos recalled that in talks one year ago with Cardinal Jaime Sin and Archbishop Antonio Forich of Negros he offered to discontinue prosecution of the case if the church leaders persuaded the priests to leave the country.

The offer last week of a conditional pardon was made after Cardinal Sin and Bishop Forich said "they could not implement their part of the bargain," according to Mr Marcos.

Australia revives referendum

From Tony Daboudis, Melbourne

The Australian Government is to put two questions to a referendum at the next federal election, likely to be at the end of this year or early in 1985.

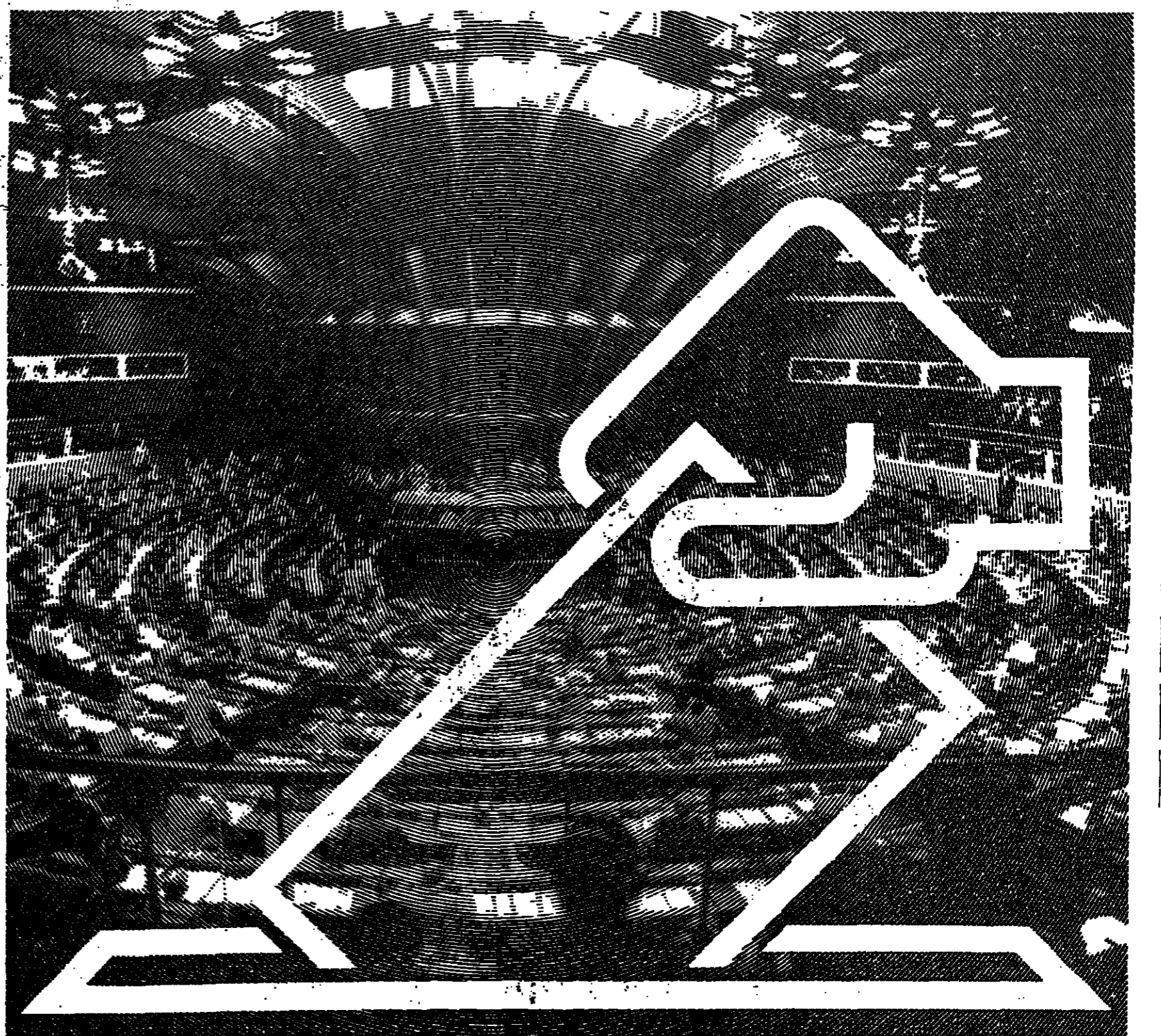
The proposals are for simultaneous elections for both Houses of Parliament and for the interchange of powers between federal and state governments. This would en-

able Canberra to delegate powers to the states and vice versa.

Under the constitution the states can refer powers to Canberra but there is some uncertainty about the constitutional provisions. Before the war the states levied their own income tax but transferred that power to the federal govern-

ment and have never claimed it back.

The two referendum questions were among five which were to have been put to the electorate in February. They were postponed because of a dispute between the Labour Government and the Australian Democrats over publicity funding for the referendum.



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SPECTRUM



Whatever happened to tennis? According to Fred Perry (left), Britain's last Wimbledon men's champion, the game is suffering from too many tournaments, too much money and too much trimming to suit the needs of television

The curse of too much money

The trouble with tennis nowadays is that there are too many tournaments and too much money on offer to the stars. I never thought I'd find myself putting forward such a criticism, but it's true. The proliferation of tournaments, especially now that the women have largely gone their own way, means that there are simply not enough top-level competitors to go round. Those that there are wear themselves out with too much tennis, too much travelling and too many other exhausting - if lucrative - commitments. On top of that, there is the constant mental pressure to succeed and retain a high ranking on the computer which decides the level of entry for competitors.

It is no longer a question of beating somebody for the pleasure of winning. Now players do it principally for the money and the computer points. This has led to a growth of "computer-orientated" players who can retain a high ranking by performing only on surfaces and in conditions that suit them, and it is one of the great pities of tennis that they are able to do this rather than expose themselves to the variety of surfaces on which the sport is played. Some even choose to miss Wimbledon, which would once have been unthinkable.

The 90-second rest at the change of ends, and the fact that the tie-break rule has virtually eliminated marathon deciding sets like 22-20 or 18-16, mean that the players are guaranteed less exhausting matches. However, the sheer speed of modern travel means that they are playing many more matches than we did. They can finish a tournament in London on Sunday, be in Los Angeles or Rio de Janeiro on Monday, and be playing in another tournament somewhere else on Tuesday.

Too many people continue to play these days when they are injured - because of the money. As long as they win a couple of rounds, collect the cash and the computer points, they are content. When you look at the scores these days it is amazing how many 6-7, 1-6 results you see.

This isn't just coincidence. If, as a second-round loser, the player collects \$1000 and in any case would be facing McEnroe in the third round, it's simpler - once he has lost the first set narrowly, despite playing hard - not to sweat his guts out, but

take the money and move on to the next tournament.

Let's face it, another reason why there are more surprise results now than there were in my day, and the sheer pressure of competition means that some players never get around to working out improvements in their game. In the old days, if you wanted to learn something, you took time off the circuit to perfect it. Anthony Wilding, the pre-First World War Wimbledon champion, learned a new backhand on the boat trip from his home in New Zealand to England.

Nowadays, if a player is making a quarter of a million dollars a year and if a ranking level is at stake, it is admittedly very difficult to make the decision to quit the circuit completely in order to perfect a new stroke. There is always the chance that it wouldn't work anyway, and he might be throwing \$60,000 prize money down the drain. The only example I can recall in recent times of a player who took this risk is the Australian Paul McNamee, who spent six months with Harry Hopman to learn a new, double-flipped backhand with a bigger racket. In McNamee's case it worked; he beat John McEnroe soon after in the French Open.

Endorsement business is way out of hand

Despite all the tournaments and the cash on offer, the great majority of the professionals earn no more than a comfortable living in very agreeable surroundings in exchange for their travel and stress. The women are luckier than the men, since there are only two top ones now, Martina Navratilova and Chris Evert Lloyd. Take them away and a women's tournament is struggling to find a crowd-puller, though British fans are all keeping their fingers crossed that Jo Durie will continue her remarkable progress towards the top. Let's hope that she can become as popular as Virginia Wade.

Because of the enormous number of people who play tennis around the world, the sport has generated a massive back-up business in clothing and equipment. This is natural enough and, of course, it's benefited from this as much as anyone. But now manufacturers are keen to clothe and equip promising young-

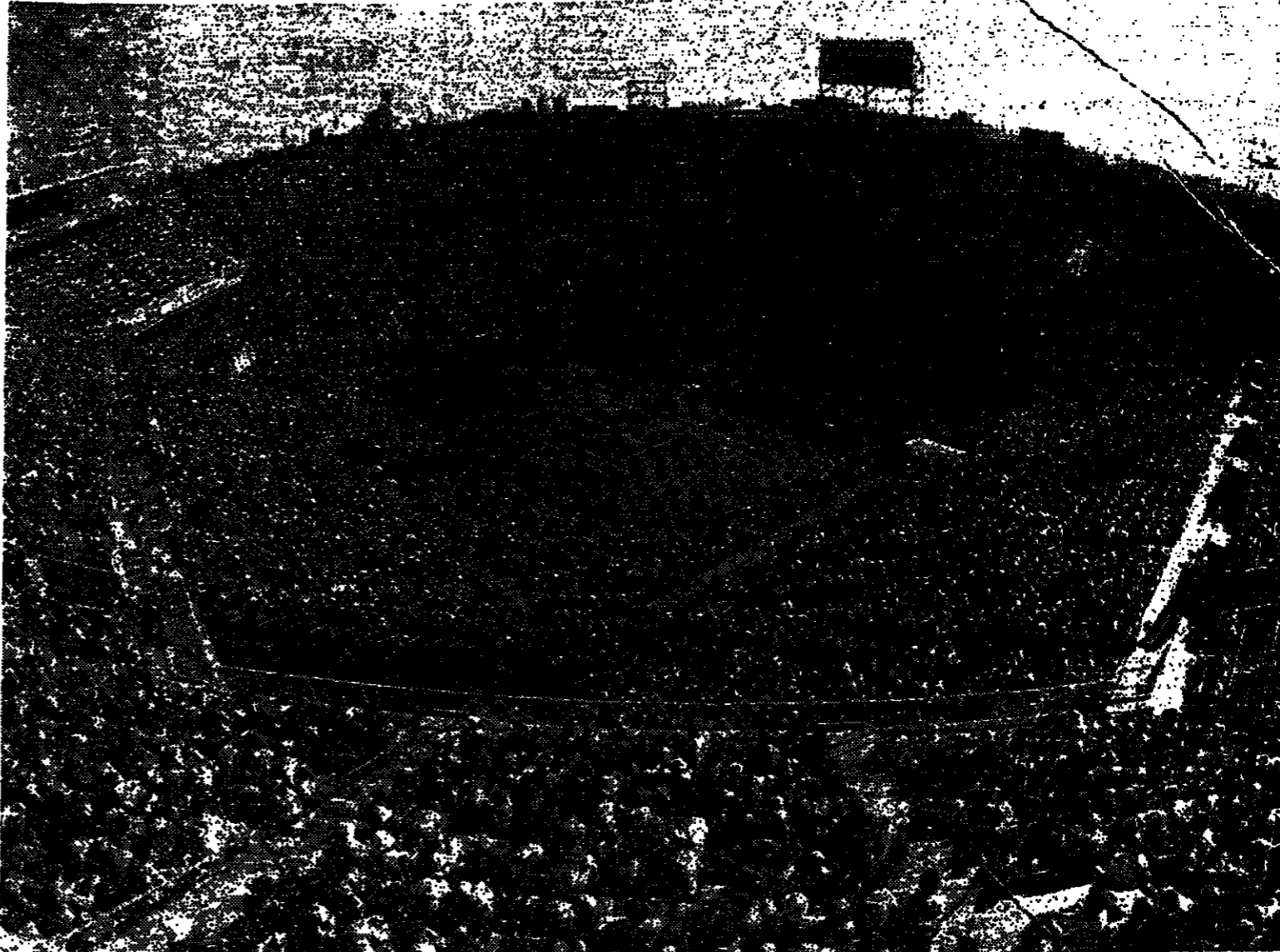
sters, sometimes at an incredibly early age, with the full encouragement of the agents, managers, lawyers, coaches and trainers they all seem to be surrounded by. The endorsement business is getting ludicrously out of hand and is placing extra pressure to succeed on players who are really still children.

This is much more prevalent in women's tennis. Girls of 14 and 15 - even 13 - are offered enormous amounts of money to endorse a certain racket or to wear certain clothes, shoes, even perfume or jewellery. Many players go into action now wearing more trade names than a Formula One racing car. I know that pro-tennis and commerce have always enjoyed a close relationship, but until today I didn't think they were married.

The catch is that, in order to live up to all this commercial backing, players must win some matches, and it's a tough grind for the teenage girls, especially when so many of the American ones are Chris Lloyd clones with two-handed backhands. They even look the same physically. By the time they're 17 many of them are carrying stress injuries because of the demands on little bodies and bones which are still developing. At about the same age a lot of them discover there are other things in life besides tennis.

Before the Second World War tournament tennis was true-blue amateur, and woe betide you if you tried to make it anything else. After the war, when there was more money around, what quickly became known as "shamateurism" crept into tennis, and competitors would only enter if they were guaranteed the prizes that went with a semi-final appearance. To sweep the game clean, tennis went Open in 1968, with Wimbledon, to its great credit, leading the way. From that moment tennis became big business - with agents and entrepreneurs and, of course, TV.

There is always the possibility that television's huge influence and its potential effect on tennis can be a worrying thing, particularly in the United States where television has far too much to do with the actual scheduling of matches. In the US Open it's just not possible, as it is at Wimbledon, to have one of the major players performing on an outside court and a potentially good contest between lesser-known people on the main court - because this



US Open at Flushing Meadows: huge prize money comes from television fees, so television is practically running the tournament

wouldn't suit the TV people.

It has reached the stage where TV is practically running the US Open. The huge prize money comes from the fees paid by the television companies, so the scheduling of matches depends on TV requirements, which depend on advertising, which depends on the right names, as far as tennis watchers are concerned, being on the screen. It's all a question of wheels within wheels. Television even fixes the time of the final at the US Open - a ludicrous 4 pm start to a five-set final, guaranteeing that it will have to finish under floodlights and in very different conditions from when it began, because the TV people are busy pumping out football earlier in the afternoon and tennis must wait its turn in the programme slot.

The power of TV in the United States is obviously responsible for many players getting away with misbehaviour and rule-bending. Nobody with two hours' prime-time television and all the attendant commercial revenue can afford to have a player disqualified.

A supreme example of this came in the 1983 US Open final when Jimmy Connors suddenly sprinted off court, allegedly to obey a "call of nature", at a tight stage of his match with Ivan Lendl, who was given no reason for the stoppage. To begin with, it would have been mere courtesy to explain the reason why Lendl was left to kick his heels for several minutes in heat exceeding 100 degrees while Connors took a break. Lendl eventually protested and, in my opinion, would have been perfectly within his rights to demand Connors' disqualification.

The tournament referee was called on to court, yet Connors got away with it. Why? Because TV wouldn't have tolerated the final being terminated unexpectedly by default or disqualification. It would have left them with "dead air" in prime time. So Connors came back and went on to win the match.

They wouldn't have got away with pulling such a stroke on me, even if it had meant a confrontation to end all confrontations. It would also have been interesting if Lendl had then said, "OK, I retire in protest."

It is possible, with enough money, to run a tournament specially for TV, like the now-defunct Pepsi Grand Slam at Boca Raton, Florida, by assembling four big names, packaging it and selling it to the screen, too often without any consideration about what such "special events" are doing to the Grand Prix circuit.

Appearance money is hurting the sport

Of all the ills which exist in the game today (and in some cases have existed almost as long as tennis), the worst is the proliferation of special events and exhibition matches at the expense of the regular circuit. Tournament directors, promoters and sponsors must often wonder whether it's worth it when their events get a poor entry.

Promoters may put up \$300,000 for a tournament, knowing that the Association of Tennis Professionals will guarantee them 32 competitors - but they don't know which ones.

Most of the leading men aren't interested in playing much of the Grand Prix circuit beyond the major tournaments which keep their names in front of the public - and those who pay out the money for equipment and clothing contracts. They would rather take part in an exhibition, often earning as much, or more, than they would by appearing for a whole week in a circuit event and with the possibility of a drop in prestige by losing.

That sort of attitude has to be bad for tennis. Modern exhibitions aren't like the tough head-to-head matches we used to play when I was a pro. No matter how promoters disguise it under the title of "shoot-out", "classic" or whatever, an exhibition is exactly what the name implies - a practice match beefed up by public relations experts. And for this, the star players may pick up \$50,000 a night, or even more, for practising in public. An indication of how meaningless it all is, despite the hype poured forth by agents and pros, was given by Gladys Heldman in the American magazine *World Tennis* (November 1983) when she said, "McEnroe will never misbehave in one of these so-called 'tournaments' because nothing is riding on it."

True, when I turned professional after winning Wimbledon for the third successive year in 1936 I moved into a world of exhibitions, too. But they were different. The professional championship of the world was at stake in the tours (often lasting four or five months and stretching into dozen of matches) that I undertook against people like Ellsworth Vines and Bill Tilden, so

there was never any easing up. Those matches were far removed from being just public practices. A whole stream of talent, from Jack Kramer to Rod Laver maintained that high professional standard until the sport went open in 1968.

Despite the escalation in prize money since open tennis arrived, it is the phenomenal growth in appearance money that has caused such great concern to people like myself, who believe in winning and genuine competition and have the game's interest at heart.

Appearance money has existed since the "shamateurism" days, when it lurked under a different name. All the pious claims that there is no such thing as appearance money are a lot of hooey. It does exist, but it has been difficult to prove on the Grand Prix tournament circuit, since the top players blankly deny it and the promoters are afraid to admit it for fear of losing the big-name competitors next time round. The money being demanded is astronomical, and whether it goes directly into the players' pockets or reaches them by some other roundabout method, such as personal appearances or coaching clinics, is immaterial. Like exhibitions and "special events", appearance money is hurting the sport.

You may say, "Oh, Fred made his money at tennis and now he wants to spoil it for those kids." I don't. It's one thing for a player to trade on his competitive abilities - as we did in my day - and quite another to cream off huge sums from the game without even competing.

TOMORROW

'He was to be seen backstage saying "I wanna meet Liberace". And he got his way.' Alan Franks takes a fresh look at Bob Dylan.

My winning ways

At Wimbledon in 1934 while my father S. F. Perry was enduring my misfortunes, he had to put up with a loudmouth nearby who was telling everybody it was inevitable that the British could tolerate somebody as badly behaved as Fred Perry. Why, he had "seen me only the previous night drinking at a club until 4am, and in a very inebriated state". My father was not the sort to suffer fools gladly and told the man that, on the contrary, I had been home in bed by ten o'clock. "Are you calling me a liar?" asked the loudmouth. "Yes, I am," said my father, and then explained who he was. Silence reigned.

Being home in bed early every night was part of my meticulous preparation for what eventually became three years of triumph at Wimbledon. A friend of mine, Sandy Thomson, used to help by coming to stay with me at my father's house in Ealing for the duration of the tournament. Sandy wasn't my "minder" - that title belonged to Pops Summers - but he kept people away from me when the going was tough, and generally looked after my needs.

Another way in which I used to try to avoid the hurly-burly and lessen the pressure before a match was by going to the golf club across the road from Wimbledon, having a little fun on the putting green and sharing a cup of tea in the golf shop with the pro Bill Cox. Until I was called by Dan Maskell half an hour before I was due to go on court. Then Maskell would give me a warm-up. I never shook hands with anybody before a match. I wasn't being snooty, but if you greeted fifty or sixty people you could lose some feeling in your hands.

This was especially true if you happened to be playing an Australian or an American and one of his husky friends with hands like shovels came along and simply had to wish you good luck. Sandy Thomson was always there to ward them off, as politely as possible, and I used to keep my right hand in my pocket anyway for extra insurance.

I also took great care of those other little essentials - my feet -



Champion leap: jubilant Fred Perry at Wimbledon in 1934

and went to a lot of trouble over the choice of footwear. If your feet hurt, you can't play tennis; it's as simple as that. So I had my shoes (they were called "plimsolls" in those days) specially made by a man in Pinner. They were of buckskin, laced to the toe and with a very thin leather sole, under which was stitched a slightly thicker crepe sole. These plimsolls were extremely light and durable and not only fitted like a glove but could be bent over and popped into my pocket if necessary, say, if somebody tried to shake me by the foot.

One of my methods of injecting a little gamesmanship into a big match was to vault the net if I had won and congratulate my opponent, thereby giving the crowd the impression that this Perry fellow was fit enough to play another five sets. It's rather like a boxer who has been clobbered senseless, dancing around to make people think he didn't feel a thing.

I had another trick up my sleeve if I was involved in matches with a 10-minute break at the end of the third set. I'd start by wearing off-white gabardine trousers and an off-white shirt. Then, after the rest period, I would re-emerge in dazzling white duck trousers and a fresh white cotton shirt, my hair neatly parted. The crowd always thought I looked twice as fresh as the other man, but of course it was just window dressing.

Fred Perry, *An Autobiography*, is published on June 14 by Stanley Paul, price £8.95.

Some of the new books out about Glyndebourne this week.

Mozart: The Man, the Music and the Menus. A new collection of essays in which various experts discuss what picnic they would take with which Mozart, opera and why. Sir Roy Strong has some very illuminating things to say about the colour of food and its relationship to the scenery of each opera. "Never eat radishes or raspberries with Figaro", he says, though I now forget why.

Glyndebourne: The Railway Years. Fifty years ago, when the first opera was produced, the railways of Britain were plentiful, cheap and easy, and an opera-goer could reckon to get to Glyndebourne in any one of half a dozen ways. Today things are different. Wallace K. Focus, whose studies of Indian railways are legendary, and who was adviser to *Brideshead Revisited* on porters' uniforms, now turns his attention to the opera trains of Sussex.

Glyndebourne: It'll be All Wrong on the Night! If there's one thing that opera people love more than opera, it's talking about opera, and if there's one kind of opera talk they like, it's about the great disasters that happen in opera. Here, gathered in one small volume by Dr Ernest Fastnet, are the most hilarious things ever to have happened at Glyndebourne, from the time Martini came on in Idomeneo wearing sunglasses by mistake, to the night a robin built a nest in Sparitini's hair as he lay dying in Act III of some Haydn or other. Priceless. Sidesplitting. Absolutely a knock-out.

Programmes at Glyndebourne. There is a serious side to opera, too, and for Keith Foggett, it is collecting opera programmes. He has been collecting opera programmes ever since he can remember and now he has boxes and boxes full, and his wife has left him, and you can't even get in his bathroom for programmes, but it's made a lovely book.

One Man's Glyndebourne. A curious book by Simon Plintz this, as although the author is keen enough on opera, he does not appear ever to have been to Glyndebourne, perhaps because he was never invited or just couldn't afford it. As a result, he is almost the only journalist not to have written an article this

moreover... Miles Kingston

week on his memories of Glyndebourne, instead, we have this engaging book on his memories of other opera places. Glyndebourne and D-Day. By an extraordinary coincidence, the anniversaries of D-Day and Glyndebourne have come together, though as one is the fortieth and the other the fiftieth this makes for a less than wholly satisfactory book from Major-General Brian Carini. He does his best to trace what would have happened if the Germans had counter-attacked through Sussex and followed the careers of those famous opera singers who were involved in the Normandy landings (not very many), but on the whole one wonders why he bothered, except for the money. Would it not have been better to link the birth of Glyndebourne with some other event that happened 50 years ago, such as the birth of Donald Duck?

The Glyndebourne/Donald Duck Story. Well, perhaps not. This BBC publication, tied in with BBC's forthcoming series on comic opera, says nothing that has not been said before. And the fact that Donald Duck's words are virtually unintelligible does not ipso facto make him an interesting operatic figure. Perhaps it would have been better to tie in Glyndebourne with something like health and diet.

The Glyndebourne Slimming and Fitness Book. And there again perhaps not. In a world where most practitioners are on the well-built side, and where singers are always dropping out at the last moment for health reasons, it doesn't seem very advisable to put them forward as paragons of healthy living.

Fear and Degradation in Glyndebourne, or A Seizure in Sussex. The well-known drug-associated American journalist Hunter S. Thompson, with drawings by Ralph Steadman, freaks out in a few operas and gets chucked out of all of them. Shows opera in a completely new light as one of the totally hallucinatory experiences. Bernard Levin makes a brief appearance, as an oyster in a dream sequence based loosely on *The Walrus and The Carpenter*. Riveting.

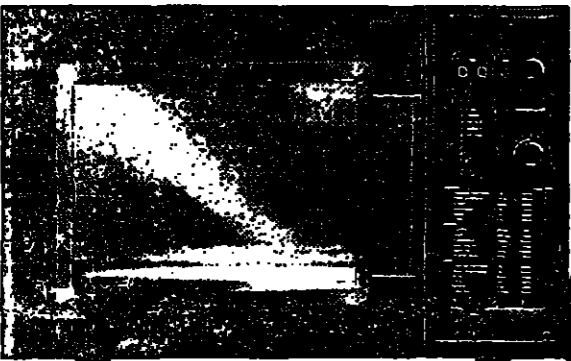
CONCISE CROSSWORD (No 366)

ACROSS
1 Formal symbol (6)
4 Foreign muscle (6)
7 Tiny speck (4)
8 Disregarded state (8)
9 Aircraft service (2,6)
13 Squabble (3)
16 Influential contact (6,2,3)
17 Lyric poem (3)
19 Secluded state (8)
24 Indian axe (8)
25 Forbid (4)
26 Bell tower (6)
27 Ribbon pasta (6)

DOWN
1 TV award statue (4)
2 Dreaded thing (4,5)
3 NZ natives (5)
4 Burp (5)
5 Watch out (4)
6 Provisional IRA (5)
11 Last Supper bowl (5)
12 Understood (5)
13 Crownwitness (9)
14 Five faculties (4)
15 Frizzy hair style (4)
16 Queen bee's mate (5)
17 Speech ability (5)
18 Go over with pen (3,2)
19 Fifty per cent (4)
20 UK Anglican (1,2,1)

SOLUTION TO No 365
ACROSS: 1 West 5 Baby 8 Omaha 9 Undoing 11 Oversee 13 Tint 15 Sportsmanship 17 Ever 18 Scallion 21 Swahili 22 Being 23 Fool 24 Assume
DOWN: 2 Aware 3 Tea 4 Deus ex machina 5 Body 6 British 7 Joyousness 10 Get up and go 12 Set 14 Anil 16 Oregon 19 Idiom 20 Fill 22 Bus

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THE MARK OF SAFETY

THE ARTS: 1

Television Partisan history

Real Lives (BBC1) concerned some of the first soldiers who fought in Belfast and who now, 15 years later, were going back for the benefit of the cameras. Time has not softened their impressions, however: "It was round about here that that gunner got killed" was one of the first memories as they were driven through a city which looked as damp and grey as an old dischloth. And it was a measure of the fear which those streets once induced that they still felt uncomfortable while standing on them.

This view from the ground of the Irish troubles was more illuminating, and certainly more interesting, than the overly sectarian or studiously impersonal accounts to which I had become accustomed. The quondam soldiers returned as spectators, and were able to interview some of the people whom they had fought against. The locals also questioned them, and one angry lady accused them of turning against the Catholic population – an accusation which the old soldiers offered no adequate defence against, and their attempt to be good-humoured and sensible was quickly rebuffed. As always, the

events to which both sides were witnesses were quite differently explained: the impossibility of non-partisan "history", let alone non-partisan soldiers, became painfully apparent.

This was the story of the "inevitable" involvement of those soldiers in the streets of Belfast — from their first training in a state of well-intentioned ignorance to the first act of violence when a water reservoir was blown up in 1969. And then, as the gun battles started, everything changed: "murder after murder," as one of them put it. Most of the returning soldiers seemed depressed and weary after the excursion, and they simply looked on at the young soldiers who have taken their place and who are now going through the same frustrations, the same problems and the same fear.

The image which this programme left behind was of a situation which remains hopeless, moving neither forward nor backward but sucking everyone into the same stagnation. And the soldiers' story was, in the end, "I don't think it was worth it."

Peter Ackroyd

The age-old rivalry between Melbourne and Sydney has found a fresh focus as the former's spectacular arts complex nears completion: Linda Christmas reports

Wide-eyed envy of visiting Europeans

The Great Australian Opera House — the antipodean answer to La Scala and Covent Garden — is almost complete. What a pity they have built the outside in Sydney and the inside in Melbourne. That is the same joke about the ongoing, century-old battle between the two cities for supremacy in all things, but particularly for the titles of cultural capital and financial capital of Australia. Sydney might be older by some 50 years, and thus could fairly be said to have had a head start, but Melbourne, partly through her luck in finding gold upon her doorstep, took the lead on both counts and held it for many a

When Sydney got her architecturally acclaimed opera house, with its soaring boustrophedon setting and its roof of soaring sails, it was not just an international talking-point and did much to attract not just opera, but the city's arts scene in general. The building also contains a theatre and a concert hall. The battle seemed won. But quietly by the banks of the Yarra, Melbourne mocked and made a million gags about the Sydney building being 25 times over budget, the stage being too small for opera and the provision for car parking zero. Melbourne also seemed on the drawing board to have her \$A225m state-funded reply.

First came the concert hall in 1982, a concrete bunker on the outside, but opulent inside. This autumn sees the official opening of a second building housing three theatres, which is only 15 times over budget. It has a huge underground park for 1,500 cars and is the largest of the theatres - a 2,000-seater for opera, ballet and musicals - and has an immensely large, original stage area. The central stage, by any standards, is flanked by two side stages which enable sets to be changed within one minute, and, at the back, looking like a layer cake and ready to glide forward at the click of a switch. There are two more stages, one revolving and the other specially sprung for ballet.

The way in which the stage space would accommodate eight suburban dwellings, but craggy as a cave, was the first to point out, is a very Australian attribute. As they burst with pride, so they must boast even in sedate

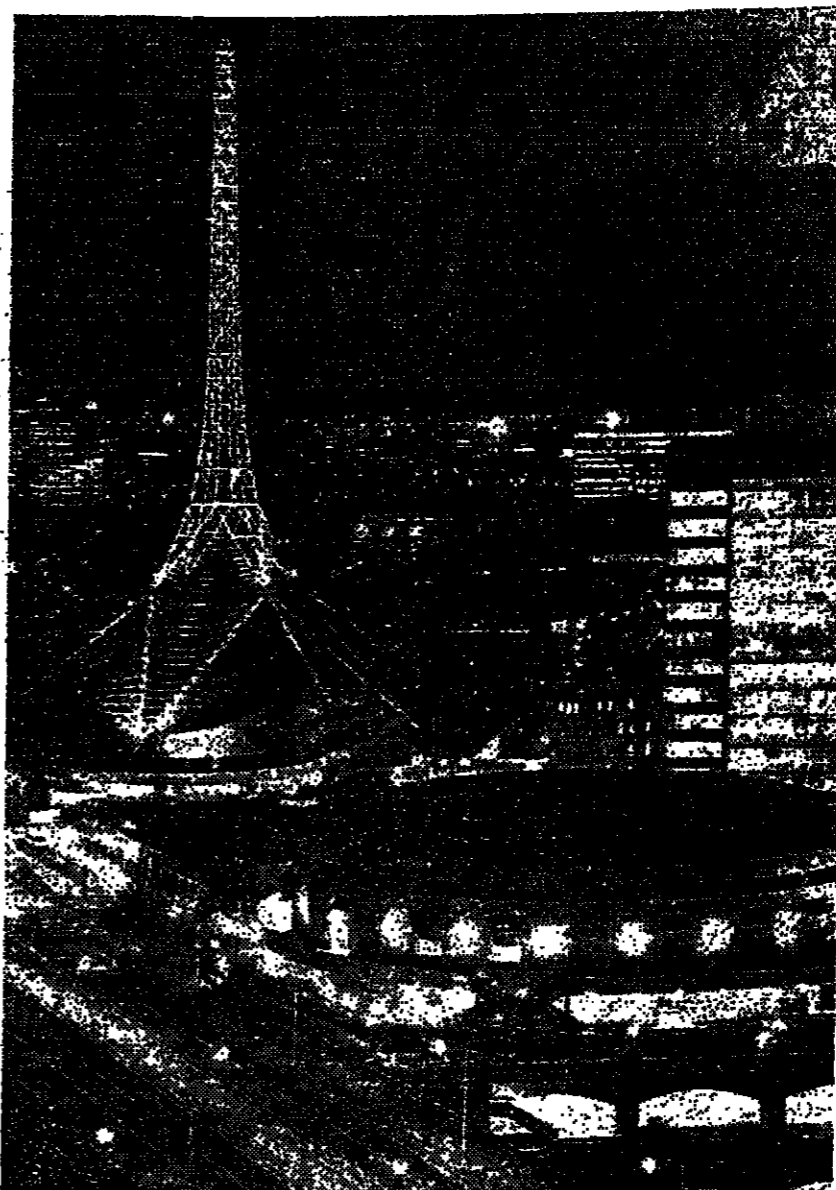
Melbourne, aided by the wide-eyed envy of visiting Europeans. Sir Claus Moser, chairman of the Royal Opera House, having viewed the spectacle, wrote and congratulated the general manager, George Fairfax, on having "the best opera house in the world." The quote was released to the press before anyone had heard a note in the place. This is not to cast doubt on the acoustics of the theatre, but everyone will recall the teething troubles of the concert hall where the brass and percussion persisted in dominating the strings.

Melbourne has scored on three points to which must be added a fourth — the décor — for, unlike Sydney, Melbourne's theatres demand to be admired rather than ignored. The arrival-point is adorned by a huge mural (the whole place is dripping with paint) and the consummate foyer and plaza is startlingly decked out in red with black reflecting glass and a low, mirrored ceiling. Very art deco. The theatres, in contrast, have softer themes.

The Studio, with flexible seating for 400 and the home of experimental work as well as late-night cabaret, is mulberry and gold. The 150-seat Playhouse, which for much of the year will be occupied by the Melbourne Theatre Company, is aubergine and copper, and the State Theatre is raspberry and gold; the seats are raspberry, the wall-panels of mountain ash have been stained a similar colour and the ceiling is made of 75,000 brass bangles which shimmer and give off a golden glow.

The fruity descriptions come from John Truscott, who returned from California, where he made his name by winning two Academy Awards for art direction and costume design for the film of *Camelot*, to his native Melbourne to undertake the interior design. Opera is his first love, he claims, as he describes the State Theatre. "I wanted it to resemble a nineteenth-century European house because most of the repertoire is going to come from that period. Anyway, red plush works for me every time."

On the outside the theatre complex remains a puzzle. The architect, the late Roy Grounds, who also designed the concert hall, was said to be anxious not to detract from his location in tree-lined St Kilda Road, and thus put most of the building below ground, causing a complex problem for engineers as steel girders disappeared into unfriendly soil. But if this was his thinking, why the 15-metre spire with its anodized aluminium base, described by Grounds at various times either as a hallerina



The Victorian Arts Centre, with theatres under the spire and concert hall in the foreground

with her skirts swirling or as a see-through negligé? It dominates the skyline for miles and Truscott would like to embellish the spire further by adding 28 lasers projecting 120 beams into the sky to form a giant fireworks which will be activated one hour before each performance and half an hour afterwards. Such a tower, Eiffel or eyeful according to taste, could give those soaring sails in Sydney some competition, but the two million dollars needed is unlikely to be found before 1988. It could be a Bicentennial project.

Both Sydney and Melbourne have now spent decades and millions of dollars exorcising their edifice complex and convincing themselves that beautiful buildings stimulate artistic excellence. And it is upon this that they will now be judged. Until the autumn, while the final flecks of copper dust are applied, the bars get their licences and that computerized stage is put through its paces, the theatres are offering a series of overture performances.

The Studio opened last month with a new look at Jack Hilbert's *Stretch of the Imagination*. The audience re-

sponded by walking out and the author retaliated by claiming that there was nothing wrong with the production but plenty wrong with the audience. The Playhouse followed with Euripides' *Medea*, mounted to lure home to Melbourne Zoe Caldwell, who won a Tony award in the title role for the best Broadway performance in 1982. And finally the State Theatre opened with Australian Opera's production of *Fiddler on the Roof*, which was amplified, making it impossible to judge the acoustics.

It was not intended this way. But, as completion hove into view, 300 building workers downed tools for six weeks, demanding life membership passes (free) to all arts centre shows. In the end they settled for the concert hall being handed over to them once a year, on Labour Day, to do with it what they wish, and for each and their wives and children to be given one set of free tickets to a performance in the new complex. Victory went to the Builders' Labourers' Federation and with it a golden opportunity for Sydneysiders to notch up the first of their million retaliatory ruses.

Theatre
Delicatessen
Half Moon

A full-throated bunch of animal lovers gathered outside the Half Moon on Monday night to protest on behalf of a kitten and a goldfish who get unceremoniously hauled about in the course of Francois-Louis Tilly's play. As the show sets out to dramatize the suffocating power of silence, the demonstrators were able to do it quite a lot of damage, but not to the extent of wrecking a bold, and genuinely alarming, piece of work.

... *Delicatessen* takes place in the kitchen of a family shop and consists of a single habit-ridden day, ending at three in the morning with a horrendous departure from routine. The scenes all take place in real time, indicated by a clock on Peter Harwell's gleaming anti-septic back wall, controlling the characters' every move through the domestic drudgery guaranteed to fill up every waking moment.

At first you sit waiting for the play to begin, and then realize that this is it. Tilly got his first break in *Balzac* in *Balzac* would have, approving his confidence in chronicle these detailed banalities.

Such dialogue as there is consists of stunted bursts of gossip and wild jokes. But for most of the time the only voices are those of prisoners in a television documentary; and, where Derek Goldby's production gets laughs, they come from absurd excesses of routine — such as the sight of Gillian Barge (as the mother) cleaning the sink, and then cleaning the carton of cleaning fluid.

The penalty of compulsive domesticity is embodied in the figure of a totally alienated son: first seen relieving himself in a spotless sink, and proceeding through the day in mounting series of loutish outrages (including those offending the Mile End Road's animal lovers), culminating with a drunken assault on the whole kitchen - to which the parents respond with the full ferocity of believers avenging their desecrated shrine.

The play leaves it to you to work out the psychological history. By the time we see them, the son (Rob Dixon) has become a monster, and the parents are incurable slaves. What emerges is a ruthlessly brilliant puppet show, held on course by discipline and nerve, and grotesquely memorable performances; particularly John Joyce, as the father, a balding monolith periodically wracked by spasms of ineffectual rage and mindless giggles.

Irving Wardle

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Entertainments

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THE ARTS: 2

Theatre

Ayckbourn back in time and back to form

Intimate Exchanges Greenwich

In *Family Circles*, Alan Ayckbourn explored the role of chance in determining whom we marry and what we do by surreally showing three couples reordering themselves in quick succession. *Sisterly Feelings* comprised different scenes chosen on the toss of a coin, and now *Intimate Exchanges* goes the whole hog, with an opening leading to eight different plots, each with an alternative ending: 31 scenes, of which four are used on any one evening. And two actors, playing all the parts between them, have learnt the lot.

What follows, then, is barely one eighth of a review, but clearly audiences for the Greenwich season - or the Ambassadors transfer that will follow it - are in for a lottery. We scored three mostly excellent scenes and one which varied wildly.

After some of his recent work, it is good to get back (this piece is two years old) to the real Ayckbourn style, painfully well-observed and very funny, played with understanding by two stars from his Scarborough company. Here is Lavinia Bertram as one of those quietly cracking-up wives, and Robin Herford, an alcoholic prep-school headmaster in cavalry moustache and twills, given a magnificent litany of complaints against modern society which delicately combines the sensitive and the famous, the vulgarity of pop culture and the iniquitous price of Scotch.

Whipping off his shirt and donning a curly wig, Mr Herford reappears as the muscular school groundsman whom the lady fancies and innocently patronizes. Reversals of sympathy are constant: the mistreated Celia is shown as ineffective and condescending; her husband shows sensitivity crushed by experience; and brawny Lionel combines creativity and a passion for Bruckner with murderous class resentment. But such shocks quickly become a mechanical device.



Cracking up: Lavinia Bertram with Robin Herford

Setting up with Lionel as a caterer, Celia finds herself facing sports day tea with no cakes and a rock-hard sandwich loaf the shape of a congealed swastika. She flies her lid and reverts crazily to childhood tear-parties for imaginary toys, an in-joke (it is one of the *Confusions* plays superimposed on another) which leaves the situation neither believable nor painful.

Under Ayckbourn's own direction, both players pursue all their characters lovingly and thoughtfully, however true or contrived their situations. Miss Bertram, in particular, doubles entertainingly as a tough little country wench and an even tougher tweedy lady. As for the other scenes they play, we must wait and see.

Anthony Masters

The English pianist Peter Lion is a neat player with a keen ear for harmonic balance. He created a luxuriant tonal palette in the first section of Franck's *Prelude*, *Chorale* and *Fugue* and thus the work took on a more Latin than Gallic ethos. The contrapuntal demands at the close of the piece were not quite mastered: Lion's right hand faded into obscurity beside the thick bass figurations. Beethoven's "Les Adieux" Sonata had opened the programme. Over-careful at first, the finale had both poetic grace and suitably fleet finger-work.

The *Demian* String Quintet from Holland enterprisingly chose Bruckner's Quintet (1879) as their main offering. Maybe the work does have awkward moments, and perhaps episodes

London debuts Luxuriant palette

are more orchestrally conceived, but these reservations were soon forgotten because the ensemble played with enormous dedication and spontaneity.

One was taken into an Elysian sound-world where life's pace was unhurried and carefree. The corporate tone was highly refined, though it was the leader and first viola who contributed much to the success. The Adagio did not sound *molto* "religious" and the Scherzo had a colour reminiscent of Dvořák.

The Australian soprano Joy Mammen, now a professor at

the Royal Academy of Music, is a highly experienced artist with a voice of undeniable range. Guitar accompaniments were fitting for most of her recital, but when it came to Schubert's *Lieder* a different type of support was needed, though a hauntingly lovely version of "Wehnut" emerged as the pearl in the programme.

Much else was attractively done, but enunciation was frequently poor, and this lessened the impact of an otherwise delightful performance of an odd suite by Dominick Argento that features musical settings of letters from such

ECO/Knuessen Snake Matings

This was a very Aldeburgh occasion, a recital by old friends from the English Chamber Orchestra, made piquant by the perversity of programming only works for awkward ensembles. Mozart was responsible for the oddities at either end of the evening: as model for Beethoven's Quintet for piano and wind, and as composer of the "Musical Glasses" Quintet where four quite proper instruments have to provide a foil for the song and dance executed by the seraphic soloist (here as usual playing the more controllable celesta). With Roussel's tart Trio for flute, violin and cello in the filling, the new piece by Colin Matthews that joined it there was perhaps wisely composed in milder, smoother flavours.

Night's Mask is probably not

Milstein/ Pludermacher Festival Hall

It is extraordinary enough that Nathan Milstein, nearing the age of eighty, can even attempt a recital as challenging as that he gave with his accompanist

composers as Bach and Puccini. Despite its efficiency and excellent intonation, the Esterhazy Wind Ensemble presented little music that could be described as aesthetically stimulating. The main work was Krommer's *Octet-Partita*, Op 57, and although the composer was adept at this sort of writing, he was no Mozart. The group was enterprising in giving the premiere of Julian Grant's new *Octet*, but jaunty and fragmentary ideas are not the stuff that memorable music is made of. Beethoven's *Rondino* in E flat was the high-point; here the unconventional scoring provided just those ear-catching sonorities that were absent in the Krommer.

James Methuen-Campbell

Concerts

Piquant perversity

going to number among the three-star works of this relentlessly inventive composer, but Matthews typically lavishes a wealth of active musical thought on what could have been merely a luscious soprano song with pretty support from a mixed septet.

That much the piece is still: there is something Bergian in the way Matthews writes immense arching lines that fit the human voice to perfection, though doubtless that impression would not have been so powerful without the hugely accomplished and entirely delectable singing of Patrizia Kwella, a siren of cool purity and allure.

Beneath and around the vocal line the instrumental music is always on the go, and aiming to take the work off into faster speeds than the voice will allow (it succeeds for two interludes). Much of the material resolves into ascending or

descending scales, but with a logic of harmony, a liveness of rhythm and a delightfulness of scoring that far outdistance one's expectations.

The poem is a sonnet in English by the Portuguese writer Fernando Pessoa, a nocturnal meditation that asks why we should prefer being to nothingness, particularly to the all. I suppose Matthews's music, in its exuberant being and its close attention to particularities of motif and colour, is not only a setting but an answer.

Oliver Knussen made his first festival appearance to conduct a stimulating premiere, and then handed over to one of his numerous colleagues amongst the artistic directors. Murray Perahia, to take the lead in the Beethoven Quintet, which became not unsuitably a dialogue of the dreamer and four gentlemen.

Paul Griffiths

Georges Pludermacher on Monday. But that the result of his labours should be so pulsating with musicianship is something scarcely credible.

True, he may not now have charge of fingers as flexible as of old, and neither does his bowing arm produce a consistently beautiful sound; but his insight into what he plays is unaffected by the ravages of age.

Significantly, he chose an optimistic work of Beethoven, the Violin Sonata in G, Op 30 No 3, written in 1802, the year of the Heiligenstadt Testament. Here, despite the growing desperation caused by the onset of deafness, Beethoven shuns self-indulgence with defiantly happy music. Likewise Milstein, who obviously these days needs a little time to loosen his muscles, attacked the rollicking first movement with conspicuous lack of caution, and went on to scamper through the equally infectious finale like an over-excited child.

The central minuet, despite its title a movement of great warmth, was meanwhile sustained luxuriantly, but never at the expense of momentum, for which the always astute Mr

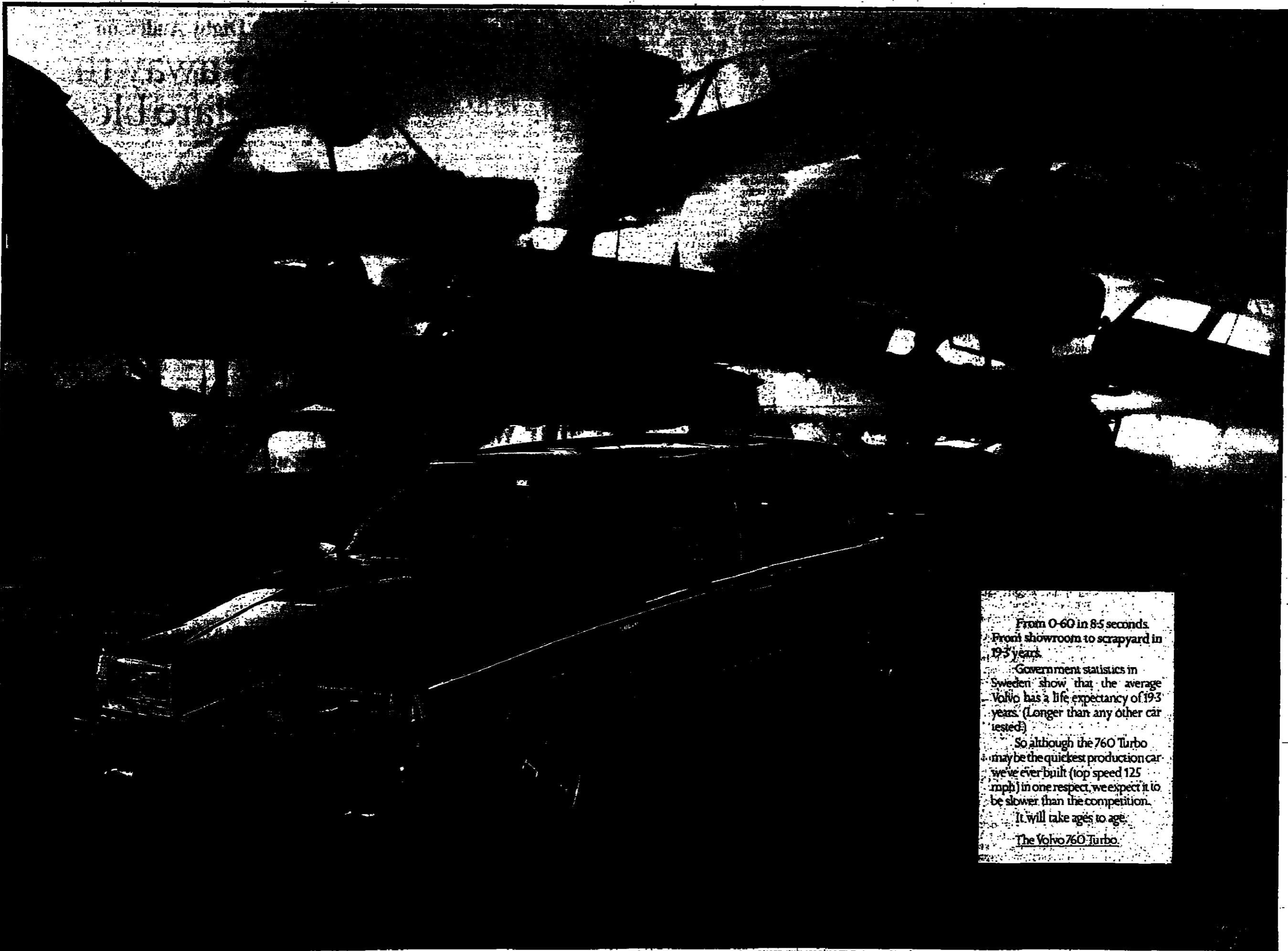
Pludermacher must share equal credit.

If Beethoven inspired playing of winning naivety, Bach's C major unaccompanied Violin Sonata drew from Milstein playing of impressive grandeur and depth.

It did not matter that the opening Adagio was often thinned and poorly tuned. More importantly, it was also both thoughtfully and confidently done. And, although Milstein's way with Bach is of a now old-fashioned school, he built the fugue with wholly admirable control to a formidable climax, memories of which inevitably dominated the succeeding, slighter movements.

There could be no quibbles over matters of style in Milstein's performance of Franck's Violin Sonata, however. He captured the work's flavour, delicately balanced between polite, sometimes academic sobriety and unbridled passion, with matchless elegance; obviously his relationship half a century ago with the work's first soloist, Eugene Ysaÿe, bore rich fruits, as still does that with Mr Pludermacher.

Stephen Pettitt



From 0-60 in 8.5 seconds
From showroom to scrapyard in
19.5 years.

Government statistics in
Sweden show that the average
Volvo has a life expectancy of 19.3
years. (Longer than any other car
tested)

So although the 760 Turbo
may be the quickest production car
we've ever built (top speed 125
mph) in one respect, we expect it to
be slower than the competition.
It will take ages to age.

The Volvo 760 Turbo.

THE TIMES DIARY

Brickbats at Pratt's

Snobbish members of Pratt's who have blackballed Defence Secretary Michael Heseltine and the Energy Secretary, Peter Walker, are being asked to resign by the club "master", the Duke of Devonshire. The Duke, who owns and runs the club - like a "transport cafe for the upper classes", I am told - is said to be incensed after personally proposing them. One member confides that the black-baller has explained their snub in "wounding and virtually unprintable" detail in the members' book. At the risk of a libel suit, I dare only repeat two words allegedly contained in the book: "little" and "vulgar".

Meanwhile as the likes of Lord Hailsham, Lord Home, Roy Jenkins and the Chancellor, Nigel Lawson, tuck into their spotted dick and treacle pud, I shudder to think of the revenge being hatched by our defence and energy men. I just hope Pratt's is insured.

● Publicity for the "outstanding romantic thriller" written by the *Daily Mirror's* editor in the publisher's catalogue gives the following priority to his journalistic responsibilities: "Michael Malloy is a regular contributor to *Punch* and for the last nine years has been Editor of the *Daily Mirror*."

Tails of 1984

It is harder to hire a rat than Richard Burton. Simon Perry, producer of the forthcoming film *Nineteen Eighty Four*, in which Burton plays the interrogator, tells me he was forced to sack his string of purpose-trained, fearsome rats because "all they did was lick each other, cuddle up and fall asleep under the arc lights." A rat-handler was swiftly recruited, and dispatched down London's drains to audition genuine sewer rats, and two have now been found which amply restore rat-like reputations. Unlike Burton, they are not being offered accommodation in the Dorchester during filming.

Hanging offence

Last week I expressed astonishment over the GLC's offer to promote the works of South African-born artist Lettie Bosman at the Festival Hall from next Sunday, and went on:

"She may find the hanging space already filled. When mentioned the GLC's arts chairman, Peter Pitt, he was frantic. 'I didn't know about this. I'll look into it immediately.'"

My assumption proved correct. Bosman tells me that on the day of publication, the GLC rang to cancel her space, offering instead an alternative slot where, she says, "the public rarely venture". So what is to be exhibited in the space which she booked over a year ago? An anti-apartheid exhibition.

Backlash

Tory whips were thumbing through *Debrief* and phoning peers they had never seen in their determination to win Monday night's vote in the Lords on scrapping next year's GLC election. Liberals and Labour did the same in an effort to defeat the bill, but to the Liberals' intense embarrassment, one of their number, Lord De Ramsey, voted with the Government. Not having appeared, in the Lords for years, he happily agreed to his whip's request that he turn up, but only because he wanted the opportunity to vote against Ken Livingstone.

Loan ranger

"Eyes still closed, she smiled as his finger tips traced the swelling of her breasts over the top of her brassiere and then..." An extract from Harold Robbins' No. 1 quote from *Margot* on "a topic of love and war" published by Weidenfeld this September. The manuscript was signed simply "Julian Grenfell", but the author is actually Old Etonian Lord Julian Pascoe Francis St Leger Grenfell, the World Bank's special representative to the UN. "I find writing rather relaxing," he said yesterday. So, relaxing that she walked into an economic conference in Geneva one morning with the fruits of his night's work instead of his briefing papers and spent the next few hours desperately ad libbing.

● A north London reader is torn between boycotting the European election because he is anti-EEC and voting to register his disapproval of Mrs Thatcher. He would like to hear from a Tory voter who shares his views on Europe to arrange a "pair" so they can both stay away.

Well primed

Rhona Prime, wife of Cheltenham spy Geoffrey Prime, tells "the dramatic inside story" of the scandal in a book due out this autumn. She reveals how, while Prime was in custody on child sex charges, she discovered microfilm in his wallet. "If you can put me away for life, Rhona, go and do it," Prime said when she visited him in police custody - and she did after finding a brown paper bag under the bed: "Envelopes came spilling out... they were all addressed to East Berlin." After the trial, she turned down newspaper offers of up to £100,000 to sell her story. Mrs Prime claims she was prompted to write the book, *Time for Trial*, by God. Her Christian literary agent, she says, was a little nudgy and soon I was being introduced to an editor at Hodder and Stoughton. Presumably this accounts for her tome being in the publisher's religious books section.

PHS

Defence: the battles already lost

by Bryan Gould

Mrs Thatcher's government, despite its carefully cultivated image of giving top priority to our national defence, has presided over the greatest run-down in defence capability this century. As our basic manufacturing industry is decimated, as more and more of what is left becomes entirely dependent on imported components, so our ability to fight a protracted conventional war has been gravely weakened. It is this which makes our growing dependence on nuclear weapons (largely under foreign control) both inevitable and dangerous. The nuclear threat is rapidly becoming the one shot left in our locker.

The closure of BL's Bathgate heavy truck division is the latest blow struck at our conventional war capability. With the closure goes the country's last major truck-production capacity. Where, in future, is the heavy transport for our armed forces to come from? How are we to fight a conventional war if we no longer have the ability to manufacture the trucks which would be needed to transport men and munitions?

This loss is just one aspect of a much wider, and worrying, development. Yet the Prime Minister and her government have responded to questions on the subject with breathtaking complacency.

In a written answer to me on this very point, the Prime Minister said that she did not contemplate fighting a conventional war "in isolation from our Nato allies". But what happens if, as is not entirely unprecedented, our Nato allies are overrun? What happens if the imported supplies on which we have become dependent are cut off?

We now face a situation where, for example, Vauxhall's assembly line grinds to a halt because a strike by German metalworkers cuts off essential components. What is true of Vauxhall is also true of large parts of British industry.

We were able to fight and win the Second World War because our industrial strength through the 1930s had grown in relation to other European powers. The position is very different today.

Not only is our vehicle industry only a shadow of its former strength, our shipbuilding industry has shrunk to only one-third of its size, so that we can no longer build the shipping needed to maintain our supplies. Our steel industry has been halved in size over the last 20 years. Our foundry capacity is shrinking rapidly, so that we would no longer

be able to undertake the heavy casting needed to manufacture heavy armaments.

The same argument applies to our energy resources. No one should suppose for a moment that North Sea oil installations and pipelines could be defended in the course of a conventional war.

Armour-piercing bombs would pose such a threat to nuclear power stations as to render them inoperable because of the risk of radiation. We should then rue the day we closed down pits which could have met our energy requirements in time of war.

Mrs Thatcher's high unemployment policy also has defence significance. In 1939, the young men who were called up had been at work for some years. They had some skills, training and work experience. They had a stake in a country which they knew needed them.

Today, the young people who would be expected to fight have been thrown on the scrapheap. They have been told, implicitly, that they are surplus to requirements. With no work experience, they could not be expected to take readily to the

discipline of fighting to defend their country.

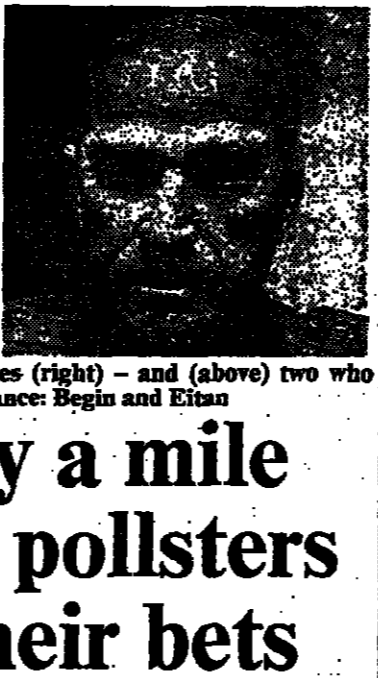
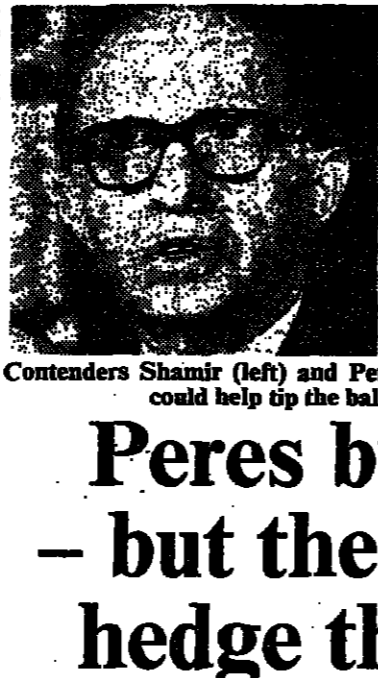
The Government has proceeded with a blithe lack of concern for these worrying consequences of its industrial policies. Most ministers seem to believe that it matters little whether manufacturing industry survives or not. Yet industry itself is under no such illusions. One of the clearest warnings for those who cared to listen, was given by Ford of Europe in its evidence to the Treasury Select Committee in 1982. In its memorandum the company said: "The last aspect of allowing national basic industry to abandon the marketplace is that a country will lose the ability to equip itself for national defence. The industries most vulnerable to international competition... are the ones critical to national defence."

It is no answer to say that conventional warfare is no longer very likely. It is in the nature of war that it can come unexpectedly. It is a cruel irony that a government presided over by the Iron Lady should so gravely have weakened our defence capability and so dangerously increased our dependence on nuclear weapons.

The author is Labour MP for Dagenham.

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Christopher Walker reports on the run-up to the Israeli election



Contenders Shamir (left) and Peres (right) - and (above) two who could help tip the balance: Begin and Eitan

Peres by a mile - but the pollsters hedge their bets

Jerusalem

Israeli general election has been as unpredictable or attracted such international interest as that taking place on July 23.

The campaign to return 120 members to the 11th Knesset (parliament) is about to begin in earnest after weeks of unseemly political infighting on the right and an uncharacteristic display of harmony on the left. Given the electoral system, and the lessons of the past, about the only certainty at this stage is that the next government - like the present Likud administration led by Yitzhak Shamir - is likely to be a coalition with some of the smaller parties exercising disproportionate power as the price of their support.

A recent plethora of opinion polls (polling, with archaeology, is a national obsession) show that Labour, led by Shimon Peres, the uncharismatic loser of both the 1977 and 1981 elections, has a lead of about 13 per cent.

But too much should not be read into that. Even the pollsters have noted a widespread scepticism about their findings. Hanuch Smith, the doyen of the breed by virtue of his election-night television performances, said: "Every day, people come up to me in the street and warn me not to buy the findings about Labour's early lead. They all seem to remember that we have been here before."

He was referring to the remarkable turn-around before the vote in June 1981, when the Likud coalition, then under Menachem Begin, was able to demonstrate the advantages of fighting from a position of power. In the previous February Labour had a 30 per cent

lead, but by May this had been whittled away, thanks mainly to the give-away policies of Yoram Aridor, the new finance minister, who began slashing taxes on luxury consumer durables. Then came the spectacular air attack on Iraq's nuclear reactor. The two actions effectively expunged the public's deep discontent with the country's first right-wing administration.

Although Mr Aridor has been cast aside in favour of the more cautious Yigal Cohen-Orgad, and the economic situation has grown graver - inflation is now running at 400 per cent and in May alone the cost of living rose by 20.6 per cent - some fear that a new round of election economics may be gathering momentum. They note recent pay rises for professional soldiers and 20,000 civil servants, the raising of the tax threshold, an increase in subsidies on essential goods, and a mysterious slow-down in the rate of devaluation of the shekel.

The universal scepticism with which the opinion polls are being treated is the more revealing because it comes when surface logic would reinforce predictions of an easy Labour win. Apart from the disastrous economic statistics, the swing of the pendulum is working against a government that has been in power for seven years, during which time it has embroiled Israel in the divisive war in Lebanon. The outcome of the war remains unresolved while the death toll rises inexorably towards the 600 mark and injuries outnumber those suffered in the 1967 war.

But other, more complex factors are at work, as a close perusal of the polls will show. Although Labour trend ahead only after the collapse of

Israeli bank shares, a devaluation of the shekel, and the economic retrenchment programme last October, only 10 per cent of those questioned recently said their vote would be determined by the parties' policies on economic and social issues. The Likud hopes to swamp disapproval of its dismal economic record by raising public concern about Labour's intentions towards the occupied West Bank, playing up expressions of hope for a Labour win already voiced by Arab figures such as King Hussein of Jordan. Mr Shamir has said that a Labour victory would prompt "a festival of withdrawals".

As the scurrilous, but often tellingly accurate left-wing magazine *Haolam Hazan* reported last month, some of Labour's own private polls indicate a neck-and-neck contest with Likud, which, in recent weeks has been struggling to put its house in order before facing the electorate without Mr Begin's towering political presence. One of the most unpredictable factors remains whether Likud campaign managers will eventually succeed in persuading the ailing, 70-year-old Begin to break months of virtual silence and agree to record what could be a crucial election broadcast from his Jerusalem home, where he now lives as a virtual recluse.

Another factor complicating what might otherwise be a confident prediction of a Labour win is the changing demographic face of the electorate and the changing voting habits of the Sephardic community (Jews of Middle Eastern or North African origin) who, in the past decade, will outnumber those of Ashkenazi, or European, descent. At the last election, 36 per cent of

Sephardic voters supported the hard-line Likud, approving its tough attitude to the Arab world, as opposed to Labour's more conciliatory approach. Any who desert Likud would probably turn further to the right, to the Techiya Party, a natural coalition partner for Mr Shamir.

Israeli liberals are disturbed by the remarkable upsurge of support for Techiya among high school children, encouraged by the scores of classroom meetings addressed by its newest and best-known recruit, reserve general "Rafael" Eitan, the former chief of staff, who is noted for his uncompromising approach to the Arab question.

"There is a predominant sentiment for settling complex problems by force alone," said Labour's chief campaign manager, reserve general Motin Gur (also an ex-chief of staff), after a recent meeting in a Tel Aviv high school at which he was constantly heckled. "What should worry both parties are the words of one youngster at that debate: 'We are fed up with both of you. We want something new.'"

His comment reflected that voiced earlier by many Israelis which showed that 32 per cent of Israel's Jews would like to see the present political system replaced "by a strong regime of leaders who will not be dependent on political parties," while another 16 per cent were indifferent.

It is this mood of growing disenchantment with a political system increasingly dependent on "blackmail" by minority parties which the next government, whatever its complexion, will have to deal.

The burn-up that could beat star wars

On Sunday a Minuteman missile carrying a dummy warhead was launched from the Vandenberg air force base near Los Angeles. Some minutes later a smaller rocket was launched from Kwajalein Atoll in the Marshall Islands, 4,200 miles to the south-west. As the first missile arced over the Pacific, the second closed on it using infra-red sensors and an on-board computer. Before they collided, the interceptor deployed a metal framework loaded with metal weights rather like an umbrella without a skin. The impact, at 22,000 feet per second, destroyed both.

This test, the first success in four attempts, is part of the "star wars" initiative announced by President Reagan in March last year. The concept is that of a defence system of several components designed to destroy incoming nuclear missiles before they can reach the United States. Sunday's test was the first demonstration of the interception of a missile outside the earth's atmosphere and complements the first tests of an anti-satellite rocket launched from an F15 fighter in January.

Very little is known about the latest test, let alone about the previous three. The details remain highly secret, but the US government is presumably keen to use what information it can reveal to help buttress public support for these controversial new developments.

The star wars initiative is more than just a low-tech destruction of satellites and missiles by impact. It envisages developing an entirely new generation of weapons designed to intercept nuclear missiles. These include laser beams and charged particle weapons to be used from



stations on earth or in space in conjunction with interceptor missiles.

But a recent report from the Office of Technology Assessment (OTA) in Washington has severely criticized the feasibility of such weapons. Indeed, the report motivated the head of the star wars initiative, James Abrahamson, to claim that the OTA report contained "technical errors, unsubstantiated assumptions and conclusions that are inconsistent with the body of the

report". The OTA report says that "the prospect of a near-perfect defence against nuclear missiles is so remote that it should not form the basis of public policy".

In particular it says the development of fast-burn missiles may thwart a star wars defence. It is important to intercept missiles in their boost phase as their exhaust plume is easier to detect and before they can release multiple warheads. But fast-burn rockets are vulnerable for a shorter time than conventional missiles and the atmosphere would help shield them from any futuristic laser or particle beam weapon. The OTA has even gone so far as to say that the deployment of fast-burn missiles could be a "potent, even decisive" counter-measure against laser weapons.

The OTA and the US Defence Department also disagree on how well laser and particle beams (atomic particles blasted through space) could perform as star wars

weapons. Abrahamson believes progress in the field shows that a modest deployment of beam weapons could negate most nuclear missile threats. But scientists outside the "US defence network" have expressed serious doubts.

One proposal for a star wars system calls for a large laser on a mountain top, aiming its beam through the atmosphere to an orbiting mirror that would relay the beam to another mirror satellite, or to the target. Its big advantage would be that it would obviate the need to launch the bulky laser and its fuel into orbit. An alternative would be a "top-up" system, under which the hardware needed in space would be kept poised for launch, and so avoid placing strategic hardware into orbit, where it would be vulnerable to attack. But there are fears that it could not be put into space quickly enough.

Another such weapon would be the X-ray laser. In the past Washington has been very nervous of this weapon, and only fairly recently would government officials even use the words X-ray laser in public. The problem with this device is that, if it could ever be built, it would use nuclear bombs as its energy source.

Sunday's test demonstrates the low-technology aspect of a star wars defence, and brings to the US the concept of a non-nuclear warhead - the Russians have had the ability to intercept incoming missiles with a nuclear bomb for some eight years. The next stage in the star wars plan, however, will prove much more difficult.

David Whitehouse
The author is a space scientist at University College London.

Robin Cook

How the duns could undo us all

So now we know. As a result of last week's summit declaration we can definitely state that the leaders of the seven major western powers support democracy.

We also know that the same seven leaders - or at any rate a majority of them - have not yet noticed the swollen tide of Third World debt. We can say this with confidence as the measures they announced in relationship to the debt crisis are of a purely cosmetic nature. Mrs Thatcher even contrived to miss out the debt section when she read her impromptu précis of the final communiqué.

Perhaps we should not be surprised at such little progress at a summit hosted by a government which has consistently deflected anxieties about Third World debt with a carapace of complacency. Only last year it appointed a new governor to the Bank of England who announced that the debt crisis, "if it ever existed", was now over. The next day Brazil revealed that it was deferring its debt service payments for the rest of the year.

The debt crisis is patently not over. The various statistics by which it has been measured and like some financial supplement to the *Guinness Book of Records*. Some countries now owe the equivalent of five years' earnings from all exports. Brazil, Mexico and Argentina are in theory due to pay more in debt service than they earn from exports. When Mexico first announced that it could not meet existing obligations its authorities revealed that they had enough reserves to pay for 12 minutes' worth of imports.

These alarming figures chronicle the international impact of the monetarists' fetishism which has had such a dire effect on our own domestic industry. Between 1975 and 1979, the period when Arab deposits were being recycled by the banks to the rest of the Third World, the ratio of Third World debt to export rose from 37 per cent to 50 per cent, which remained manageable if overseas. The mistake those banks and borrowers made was to assume that the industrial powers would continue to manage their economies rationally.

The advent of monetarist administrations in Britain in 1979 and the United States in 1980 falsified that assumption and exposed debtors to repayment of loans at record interest rates of which they had not dreamt at the time of contracting the debt. Between 1979 and 1982, the ratio of Third World debt to exports rose from 50 per cent to a crippling 75 per cent.

The response of the financial establishment, reiterated in the summit communiqué, has been to insist on the specific application to Third World countries of the same

monetarist prescriptions as have debilitated the industrialized world. Routinely, the IMF has been sent in to insist on a policy of domestic regulation in the hope of generating an external surplus.

There are two problems with this response. The first is what it does to the debtor nations. In the past couple of years, Mexico and Brazil have experienced a drop in their standard of living of more than 10 per cent. In the shanty-towns that squat around their cities that drop means hunger, high illiteracy and a greater incidence of disease among children weakened by malnutrition.

It is a matter of profound moral as well as financial interest that countries with such pressing social problems should have been obliged in recent years to make a net transfer of capital to the advanced states. Even if we leave morality out of the ledger and confine the accounts to matters of the strictest financial calculation, there must remain grave doubt about the propriety of the western banks wringing a profit from rescheduling what are effectively bad debts.

The other problem with the monetarist response is what it does to the creditor nations. If the Third World nations are to discharge their mountain of debt it will be necessary for them to achieve a substantial surplus of exports over imports which can only be done at the expense of the surplus of exports over imports which we at present enjoy in our trade with them. To put it another way, our banks can only get their money quickly by destroying the markets of our industry. It is estimated that in the US 150,000 jobs have already been lost as a result of the contraction of the Brazilian economy under the instructions of the IMF.

The most disturbing feature of the debt crisis is that it has halted the advance of those very nations of the Third World which had shown promise of breaking out of a subsistence economy and achieving industrial growth. If the international community cannot handle the financial dimension to the emergence of the newly industrialized countries, what hope can it offer the much larger number of nations who lag behind them?

Possibly, the US Administration might take a more enlightened view of the debt crisis if it was reminded that America also experienced a chronic deficit on its external account throughout decades of development as a young country dependent on external capital. But then there was no IMF around in those days to inhibit growth by a dose of the new financial orthodoxy.

The author is Labour MP for Livingston.

Digby Anderson

Clear away those welfare blocs

"We're having a thorough look at the whole of the welfare state," the Prime Minister told George Gale in a recent interview. If indeed the look is thorough - Mrs Thatcher was at pains to stress that her eyesight is now excellent - said that "look" results in a programme of reform, what chance has it of being implemented? Is the climate of opinion ready for reform of the welfare state?

A university, not long ago, arranged a conference on the welfare state and invited various social policy specialists to put diverse points of view. The organisers had no difficulty listing possible speakers to explain Marxist proposals for change, nor any finding a representative of the view which would make welfare a local participatory "community" service. They even found a free marketer to argue for privatization or charging for health and education and the reduction of cash benefits to a minimum. What they could not find was anyone prepared to defend the present system.

Intellectual support for the current welfare state has plummeted in the last five years. Social security reform is high fashion: no self-respecting policy unit or political party would be seen without a proposal for reform, the more radical the better. Of course their consensus very seriously curbs stronger incentives for work, some to take low earners out of income tax, some to see that all claimants receive their benefits; some to reduce reliance on the state; some to prune enormous administrative costs. But all want change.

The new consensus for change is also noticeable in health. It is now widely admitted that the level of British expenditure on health, having fallen behind other similar countries, conflicts with people's rising expectations of health care. Naturally there is disagreement about whether extra expenditure should come from higher government spending, reallocation of some priorities within the NHS or the encouragement of private health care. Once again, the consensus is for change. So too in housing: few would now support extensive council housing without qualification. That is not to say there is agreement across the political divide but that, in this case, the left has recognized the need for new socialist policies.

It is true that the great and uncontrolled "experiment" in making all schools comprehensive still attracts uncritical, indeed fanatical, devotion. Even there, the scandal that large numbers of young people leave after 15,000 hours of compulsory schooling with no qualifications and uncertain employment prospects poses a problem for the complacent of all persuasions. And again it is difficult, given the current

enthusiasm for "information", to envisage anyone advocating a return to the days before the 1980 Education Act, when parents were denied the information necessary to choose a school.

If the intellectuals are for change, the man in the street is not against it. Surveys of attitudes to the welfare state offer little comfort to ideologues of any persuasion. The man in the street appears tolerant, pragmatic and even quixotic. He "supports" the system, especially when - or because - he is not told the cost, but is happy for others to use private education, and health and increasingly does so himself. He is sceptical about high-spending social security. However, he expects welfare not primarily as a tax cost, unless he is a small businessman, ratepayer or lives in one of the socialist republics, but as a consumer.

The ordinary person will not be impressed just by reductions in public expenditure and very slightly reduced taxes. He wants better health and education. He shares this concern with the intellectuals. They, whether right or left, are worried that the current social security review may be only a cost-cutting or waste-saving exercise, important as that may be. They want radical reform of the benefit system.

The obstacles to reform are, obviously, the vested interests of the current welfare state who have a vested interest in conserving the present system, preferably with higher public expenditure and less accountability. Change will not only disconcert them; it will disconcert them more than it pleases its beneficiaries, for the costs of change are concentrated while the benefits are thinly spread. A less obvious but just as serious obstacle are certain Conservatives in local or central government. Some enjoy paternalism; others are trapped into buying the votes of the welfare-producer lobbies or the many consumers of welfare who pay no rates.

If reforms are piecemeal, they will be picked off one at a time by the lobbies. Success will depend on carefully packaging proposals for change in order to divide, buy off and manipulate the lobbies, and on out-maneuvring their deployment of rhetoric about "vicious cuts to essential services", shroud-waving in the case of the health service and "the needs of our children" in the case of schools and personal social services. Lastly, much of the welfare state is a statutory service: change would require considerable repeal of laws.

That all adds up to hard work. But then the Prime Minister approves of hard work, and the eventual prize could be not only better welfare but thankful voters.

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STAR WARS

Frederick the Great once warned his generals that he who would preserve everything, preserves nothing. "Therefore always sacrifice the bagatelle and pursue the essential", he said. In the business of security it is defence which is essential and self-defence one of nature's oldest laws. The bagatelle is the idea, born of the missile age, that since there can be no totally effective defence there should be no defence at all. Thus since the development of missiles, Western strategy has relied predominantly on a theory of deterrence which assumes that any attack can only be prevented by the threat of retaliation. The idea of partial defence - less than perfect, but surely useful - has been in eclipse.

Since the 1972 United States/Soviet treaty to ban the construction of anti-missile defences, therefore, the East/West balance of power has been based on the appropriately named acronym MAD, standing for "mutual assured destruction". Its theory was that, since neither side had an effective defence against missile attack, both had to rely on the threat of retaliatory forces, they would be mutually deterred from launching an attack.

The Star Wars system strikes at the very heart of that philosophy. It was initially ventilated by President Reagan in March last year. It has now advanced to the point of a first successful missile intercept in space carried out this week in the Pacific. Congressional opinion is worried about the cost, yet 86 per cent of Americans support the idea and 73 per cent say that costs should not be a primary factor. The British and French are uneasy because they feel that a new round of defensive

technology would destroy the ability of their smaller nuclear forces to get through, and thus invalidate their deterrent power. These misgivings are misplaced since they assume that the strategic balance has remained stable since 1972. The opponents of a decision to acquire a new and more effective defensive technology argue that the United States would be so doing destroy that balance. In fact, in spite of the 1972 agreement, the Soviet Union has persisted with an active research and development programme into anti-missile defences. The provisions of the treaty could be lifted by either party but only one - the Soviet Union - would be in a position to follow that with some early deployment.

At least the Soviet Union's attitude to defence has been consistent. It has never abandoned the theory that one can ignore defence and rely solely on retaliation. As Mr. Gromyko said to the United Nations as long ago as 1962, a policy of MAD would be tantamount to keeping the world in a permanent state of feverish tension and eve-of-war hysteria. When we see how effectively the peace movements have exploited the European public's unease about deterrent theory, and observe the Soviet Union's role in orchestrating some of that unease, Mr. Gromyko's words are worth recalling.

The Soviet Union is now naturally worried about the consequences of a burst in American spending on missile defence. It casts doubt on Soviet plans for offensive systems since the possibility of any missile defence - even an incomplete one - would radically alter the cost calculation of offensive systems. In the long run a

defensive programme would enhance arms control by reducing the potential gains from building offensive weapons. There would be a further advantage from a space-based system of missile defence, also connected with arms control. The protection provided for intelligence and communications satellites, which are now so crucial to the prevention of sudden and unpredictable strategic movements, would be considerably improved.

Unfortunately the presentation of these ideas has been badly handled in Washington. The President's opening speech in March 1983 was not preceded by any research and was not followed up by any active programme. Washington had to wait for two studies on technical feasibility and strategic advisability which endorsed the idea only this March. The Chiefs of Staff advised Mr. Reagan not to make the speech. Like all military men they and their subordinates prefer offensive systems which require less research and development for more obvious gain in the front line. Moreover as research into offensive systems normally has to precede defensive ones, the military machine has first call on development and is in a better position to demand deployment as soon as an offensive system is developed.

For all these reasons the Star Wars programme has attracted unfavourable publicity which does no justice to the basic defensive principle it endorses. It is ironic and paradoxical that the age of deterrence has so confused the strategic mentality of many commentators that their reaction to a purely defensive system is to suggest that it increases the danger.

THE TEACHERS' TRAP

According to the Chartered Institute of Public Finance and Accountancy current spending by local authorities is now some £850m in excess of White Paper plans for 1984-85. The figure is an understatement. The true discrepancy - between council outlays and the Government's targets totals over £2 billion, the amount by which plans have twice been re-written since 1982 to accommodate the ever-shoot, the signs are that another re-write is in progress.

The arithmetic of this consistent "overspending" and this persistent crisis of financial control must form the backdrop to the local authority pay round now unfolding. These are sums which no arbitrator can alter however keenly he splits differences. The fact is that a pay rise for teachers of about 4.5 per cent is provided for in council budgets that are themselves 4 per cent in excess of the official baseline (which implied a pay rise of only 3 per cent). Teachers can be given 4.5 per cent at existing rates of over-spending. Any more comes either from compensating savings within council budgets - school books, dinner ladies or the pending clerical workers' pay rise? - or some further dissociation of government strategy and local financial reality.

In asking for arbitration "without strings" the teachers' unions shrug their shoulders

over both the fate of ratepayers and their colleagues within local government. A national award over 4.5 per cent would, in certain districts, push council spending across the trip wire which triggers reductions in government grant-the cost of the award could then double. By the time such an award were made (autumn?) treasurers would have only a limited number of items of discretionary spending. Cuts would fall as they appear consistently to have done in some areas, on school books, paper and pencils and the costs of plant which - as Her Majesty's Inspectors of Schools recently pointed out - are badly missed on many school doors; part-time teachers would also bear the brunt of the necessary savings.

This would be unfair. It would be inequitable that, once again, full-time teacher jobs were the last resort in the treasurers' search for economies; unjust that national pay awards above the norm bear especially hard on those authorities (the "shire counties", certain London boroughs) which balance their books on the official guidelines; inefficient that instead of a rational assignment of teaching responsibilities and costs at the commencement of the school year education budgets would have to be plundered midway through the cycle of tuition and examination preparation.

Desiring both money and jobs, teachers' representatives conjure a scene in which Sir Keith Joseph - following a Wilsonian precedent from 1974-75 - rushes in and pays for the extra award from central funds. In a variant of this he exempts from penalties councils forced across the trip wire. But this is tantamount to the government deliberately increasing the amount of council over spending - a sure recipe for chaos at the very moment when the Environment Department and the Treasury are agreeing on spending levels for 1985-86.

Instead, if the legitimate anxiety of the local education authorities to see the end of disruption and the schools functioning properly lands them with an arbitration award costing more than budgets provide, Sir Keith and the local managers of the education system must immediately begin preparation for 1985. If next year there have to be compulsory teacher redundancies to secure necessary cost reductions, let them be properly planned. The talks under way on restructuring the teaching profession to improve the career path and, negatively, check the progress of poor performers should be hastened. Surely a future teacher pay round should be allowed to get under way without issues of teacher numbers and quality being placed at the top of the agenda.

BEWARE: WHIPS AT WORK

Mr John Biffen, Leader of the House of Commons, would have made a first rate university teacher. Last week, at a Policy Studies Institute seminar called to ponder the role and future of the 14 Commons select committees founded in 1979, to monitor Whitehall departments, he stimulated, with only a few ironic words, a bout of self-examination on the part of select committee members present. For example, one MP captured brilliantly the difference between sitting on the 118-year-old Public Accounts Committee, with its formidable support system recently re-named the National Audit Office, and serving on one of the five-year-old departmental watchdogs with a tiny staff of advisers. "The PAC is more like working on a professional body. The others are more like working in a pressure group."

In recent months there has been a flood of assessments of the new committees and their impact by practitioners and scholars alike. Mr Norman St John Stevas, in his memoirs, *The Two Cities*, disclosed his strategy as Leader of the House for getting his constitutional reform through the new Thatcher Cabinet in June 1979. With care, he lined up Lord Whitelaw and Lord Hailsham on his side. The latter's price was a deal whereby the Lord Chancellor's Department would be exempt from

select committee investigations. Mr St John Stevas thought then that the new committees would be the greatest Parliamentary reform of the century, and he still does.

Yet the weightiest academic survey to date, published by the politics department of Strathclyde University (*Parliamentary Select Committees in Action* edited by Dyllis Hill: Strathclyde Papers on Government and Politics, No 24) shows how patchy has been the performance of individual committees. The study has a generally sceptical tone. In a cruel aside, Mr Gavin Drewry of Bedford College, London, reckons on the Mercalli Scale for Earthquakes, the impact of the committees has been on the range of I and V, "just detectable by experienced observers when prone" to "felt by almost all. Many awakened. Unstable objects moved".

This flurry of assessment of the committees' performance, the most recent of which is *Commons Select Committees. Catalyst for progress?* (Published by the Industry and Parliament Trust) should not distract attention from the chemistry of the legislature - academic relationships which is in a state of flux, as became clear at the PSI seminar. Mr Biffen, with customary candour, said the committees had become such an important part of parliamentary

life that it was inevitable that the party whips should try and influence the choice of members. Since, in theory, this is the prerogative of the Commons Committee of Selection, itself a purely backbench body, his words naturally set off a minor controversy which ought to command a wider public interest than that of machinery-of-government experts.

These committees are a potentially important tool of parliamentary accountability and there is, as one seasoned figure put it, all to play for in the tussle between the whips and the Committee of Selection. The government has managed to foist a few trusted Members on to unwelcome committees, and it has had some of its place-men rejected. It was, therefore, healthy as well as honest for Mr Biffen to have spoken as he did at the PSI. For he alerted the opponents of front bench patronage.

It would be a pity if Mr St John Stevas's reform and five years of solid achievement by the nascent select committees were progressively squandered as their world became colonised, bit by bit, by the district commissioners of the whip's office. The backbench spirit should assert itself at Westminster, first to thwart the whips and then to achieve a higher rate on the Mercalli scale.

Demonstrations of Concern for stability of family life strain in society

From Mr C. H. F. Blake

Sir, Last week there were, on successive days, demonstrations on picket lines, a huge demonstration by anti-nuclear campaigners, a demonstration by thousands of Sikhs against the government of their original homeland, a demonstration against President Reagan, and what appeared to be the storming of Parliament by some miners.

With the notable exception of the Sikh march, these events were accompanied by varying degrees of violence.

For how much longer can this free country withstand such strains? Will our incommensurable police always be able to keep their integrity in the face of provocation on such a scale? Freedom is a precious thing never to be taken for granted. In some two thirds of the earth's surface it does not exist at all.

These things surely threaten the whole fabric of our way of life. They are as dangerous as spies, informers and people who break their trust. It is time that the majority of free men and women spoke up against a minority of people who abuse their privilege of living in a free country. Yours faithfully, C. H. F. BLAKE, 23 Downleaze, Stoke Bishop, Bristol, Avon, June 11.

Prince and architects

From Mr John G. Griffith

Sir, It may be some consolation to those who share the Prince of Wales's dissatisfaction with the present state of architecture to be reminded that among the ancient Romans, who knew good building when they saw it, the poet Martial ended a poem advising a father on possible choices of careers for his son with the words (V 56, end; written in AD89):

ut duri ingenii videtur, praecoriam facies vel architectum.

In English: "If your boy seems to have the brain of a blockhead, you should make him into an architect or an architect."

Thus readers may ruefully reflect that if, on this showing, men of quite modest intellectual calibre could put up buildings such as the Pantheon or the Colosseum to command the admiration of subsequent ages, the abilities of those who have burdened the earth with modern monstrosities to earn the contempt of posterity must verge on the negligible.

Yet all may not be lost: back to Vitruvius. His Latin may be homely, but he knew a lot about architecture. Yours faithfully, JOHN G. GRIFFITH, Jesus College, Oxford, June 2.

From Mr Julian David

Sir, The Prince of Wales is intuitively right. In asking for "those curves and arches that express feeling in design" (*The Times*, May 31) he protests at the unbending intellectuality of post-war architecture. His point is of fundamental importance not only for architecture and urban planning, but for sociology in general. In these matters it becomes catastrophic to rely on thinking alone. We also have feeling, and, as Jung would add, sensation and intuition. All equally serve the whole, or there is no whole.

The idea that intellect is more than one among other faculties by which the world is comprehended is a vulgar rationalist error, a new *raison des deserts*. In architecture it leads manifestly to a debased environment. The responses from the architectural profession (June 1) only prove how overdue is protest. Yours etc, JULIAN DAVID, Luscombe, Buckfastleigh, Devon, June 4.

From Mr Roger Till

Sir, To say that adult education is far removed from Balliol, as Philip Whitehead does in his article on Government cuts (June 5), is to weaken his case considerably. Those who have benefited from the college are much more numerous than those who have had the "advantages" that Mr. Whitehead mentions.

Many of us have virtually lifelong gratitude for the widening opportunities achieved by such people as William Temple, R. H. Tawney, A. D. Lindsay, G. D. H. Cole, and, more recently, Christopher Hill. Yours faithfully, ROGER TILL, 14 Western Hill, Durham, June 5.

Human embryos

From Mrs Mary Sennett

Sir, The debate on embryo implantation appears to revolve around the facts of recent published cases, rather than try to define a path of morality which we, society, would wish the doctors to follow.

The whole process of stimulation of ovulation, and the subsequent extraction of eggs and *in-vitro* fertilisation, has occurred to provide children for infertile couples. To ensure success all eggs have been fertilised, and as the technique improves, generally a surplus is obtained, given that most doctors now will replace only two or three embryos in the hope that one will successfully implant.

In the case where a mother insists on all embryos being replaced, as reported with the Hammondsmith. The first sentence of the final paragraph in Mr Stephen Crag's letter yesterday should have said: "Performance in this sense commonly goes unreviewed," not "unreviewed".

LETTERS TO THE EDITOR

From the Bishop of Birmingham

Sir, The Matrimonial and Family Proceedings Bill is to be considered this Wednesday in the House of Commons for report and third reading. The Whips' offices are unable to tell me whether or not whips will be put on.

The Board for Social Responsibility was grateful for an opportunity to put the Church's case against this Bill to the special standing committee appointed by the House of Commons. I feel, however, I should now put before a wider public the very strong opposition to this Bill voiced at its last group of sessions by members of the General Synod, which is the representative body of the Church of England.

Synod members felt that if anyone can take the first step in divorce proceedings under clause 1 of the Bill only one year after the wedding this will degrade the institution of marriage generally.

Clause 2 concerning maintenance payments is likely to work to the detriment of middle-aged divorced women who have devoted their lives to their children and have not trained for nor undertaken a post of paid employment.

I write to express the hope that members of the House of Commons, in Wednesday's vote, will pay due regard to the stability of the family in this country. Yours faithfully, HUGH BIRMINGHAM, Chairman, Board for Social Responsibility, Bishop's Croft, Old Church Road, Harborne, Birmingham, June 11.

From the President of The National Council of Women of Great Britain and others

Sir, We understand that for over a hundred years every Bill providing for changes in substantive divorce law has been a private member's Bill left to a free vote of both Houses.

The Divorce Reform Act 1969 resulted from a Bill presented by private members and was left to a free vote of the House, although in view of the importance of the subject the Government gave drafting assistance to the sponsors and provided time in the Commons for the Bill to complete its passage.

At no time was pressure put by ministers on members of either House to vote in a certain way. We think it a pity that in relation to the Matrimonial and Family Proceedings Bill, which contains changes in substantive divorce law, traditional

Gift of tongues

From the Chairman of the Commission for Racial Equality

Sir, The capacity of people in this country to look gift horses in the mouth and then kick them in the teeth seems to be infinite. It curiously affects the modern language-teaching issue.

French and German are thought of as modern languages and there is much nodding of heads (referred to in your leader of June 7) to the effect that we ought to be better at them. Bengali, Cantonese, modern Greek and a score of others are contained in a different part of the nation's consciousness. They are thought of as "mother-tongue" and, in some quarters, are decidedly suspect.

Conflicting creeds

From the Dean of King's College, Cambridge

Sir, Your Religious Affairs Correspondent wants to begin a theological debate about the manner raised by Professor David Jenkins (*The Times*, June 4). Yet the only categories that he will allow are truth and lies determined by reference to historical facts. He thinks it "disappointing" to use categories such as myth and allegory, failing to notice that these are forms of historical reflection.

It is quite impossible to do anything like justice to any religious literature or tradition in such a rough and ready way: as impossible for the historian, the anthropologist or the literary critic as for the theologian. It also ignores 200 years of biblical criticism, the bulk of which has been done by members of the churches and is now in the Christian bloodstream.

Your Correspondent seems to want to start the debate by incapacitating the participants and then firing a blunderbuss at them. This strategy of the mass "evangelist" is as destructive of intelligent piety as it is of scholarship. Yours faithfully, JOHN DRURY, Dean, King's College, Cambridge.

Off pitch

From Professor A. A. M. Bryer

Sir, Good for Leigh Fennor (May 30). He has ventured a connection between chicanery and Byzantium.

quadruplets, the risk of multiple implantation is increased. Therefore doctors should be encouraged to fertilise only three embryos at a time and be required to implant all of these. Surplus unfertilised eggs should be frozen, not fertilised embryos, for future use.

There can surely be no moral objection to the storing of eggs since life starts when the sperm hits the egg. There is every moral objection to freezing an embryo, or any other age of a human being, with the danger of a child being created at a time, will certainly cost more, but surely this cost is essential to preserve the dignity of life which has so sadly been diminished over the last two decades by scientific advancement.

Yours faithfully, MARY SENNETT, Alfriston, Elvetham Road, Fleet, Hampshire, May 29.

Assembling for school worship

From the Headmaster of Ongar Comprehensive School

Sir, I fear that the Headmaster of Friern Barnet Grammar School, in his letter to you on June 7, is not stating the whole problem about the clauses in the 1944 Education Act which relate to school assemblies.

At its annual conference a year ago the National Association of Head Teachers experienced a very lively debate indeed on the topic, as a result of which a large working party was set up, and as incoming president I was an active member of that group.

After a year's work, which has involved examining oral and written evidence from a vast range of bodies with interests in this field, the working party has now, at the association's annual conference last week, recommended (and the recommendation has been accepted) that the association should submit to Government a reworded clause, the effect of which would be to separate school assemblies *per se* from collective acts of worship.

The association, however, does not believe that this is the honest way forward and will spare heads and schools from the hypocritical situations they often now find themselves in. We do not, for instance, believe with Mr Pearman that it will really do to pretend that applauding a football result can be accepted as collective worship.

We do firmly believe that an assembly without any pretence at collective worship - an occasion when football results will certainly be commended - is important for the ethos of every school. We equally firmly believe that many different forms of worship can and should be practised quite separately, the nature of these activities to be the subject of local agreement.

Yours sincerely, JOHN SWALLOW, Headmaster, Ongar Comprehensive School, Fyfield Road, Ongar, Essex, June 7.

Short shrift

From Mr John Collieson

Sir, Could it be that, by being charged 2s. for a haircut in the 1930s, Wing Commander Tyrrell (May 29) was not shorn but fleeced? Yours faithfully, JOHN COLLIESON, 10 Spring Court, Church Road, Hanwell, Middlesex, June 5.

A voice in Europe

From Mr Adam Fergusson, MEP for Strathclyde West (European Democrat (Conservative))

Sir, Roger Scruton's article today (June 12), "Euro-poll: why you should not vote", characteristically tells us much more about Roger Scruton than about the European Parliament.

Not understanding its constitutional purpose or potential, and evidently ignorant of its make-up, he derides it for lack of power (a "powerlessness" shared by the backbenchers of Westminster, if he would think about it) while simultaneously insisting that it be given no more.

Let him stay at home with his democratic thoughts on polling day. That anyone, however crapped of mind, can be driven to such a discharge of bile indicates that we who see a broader and greater future for Britain and Europe than he does are getting somewhere at last. I am, Sir, your obedient servant, ADAM FERGUSSON, 9 Addison Crescent, W14, June 12.

Jove's comforter

From Mr J. R. W. Jennings

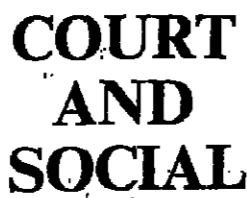
Sir, I cannot believe that Professor Ekan (June 9) is not aware of the guise adopted by Jupiter for the rape of Europa.

What animal could be more symbolic of the utterances of politicians at election time? Yours faithfully, J. R. W. JENNINGS, Jewwood Features Photography, 50 Lower Street, Fulbourn, Sussex, June 9.

From Mr T. R. Burch

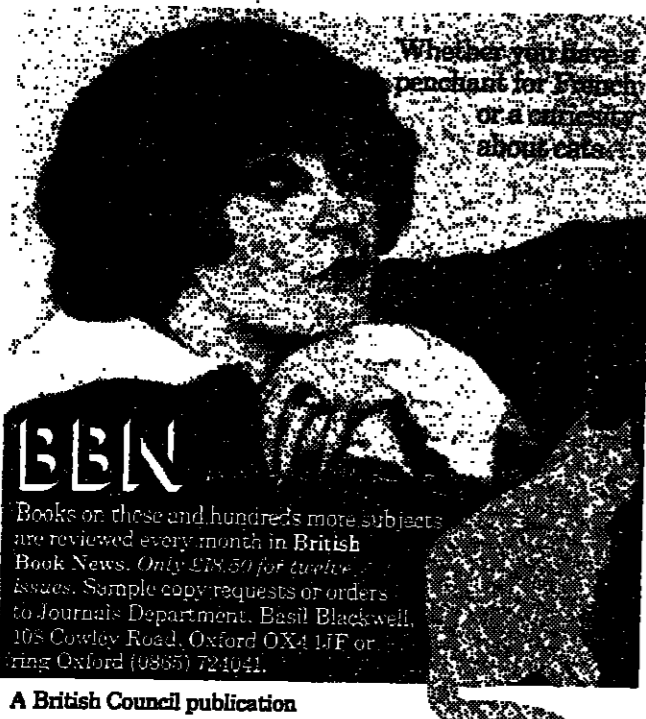
Sir, If the Post Office must have a classical myth to decorate its new stamps in honour of the European Parliament, why not the Minotaur? Half human and half a ravening bull, it lives in a labyrinth of bureaucratic regulations and devours all who come near it.

One could just imagine the British Prime Minister as Ariadne, helping the slayer of the monster with a ball of knitting wool, but who will be Theseus? Yours faithfully, T. R. BURCH, Abberdon, Burgh Heath, Surrey, June 9.



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Philippa Toomey on a case of changing fortunes

With an optimistic glance towards the year 2034

The British Council has had its turn on the swings and roundabouts, not to say the roller-coaster of fate. Founded in 1934 as an independent voluntary body by Rex Leeper, head of the news department of the Foreign Office, the aim was to fight the rise of fascism, which was projecting an image based on brilliant propaganda.

The British Council for Relations with Other Countries, as it was then called, had a grant in aid from the Foreign Office of £5,000 for its first year's work. By 1940 when the Royal Charter was granted, this sum had risen to nearly half a million pounds. In the first 18 months of its existence, the Chairman (Lord Eustace Percy) announced £2,500 for schools for English residents abroad, university chairs and readerships of English studies in foreign countries, received £4,200 grants to libraries, circulation of English periodicals and visiting British lecturers, £3,700 Britain said the Chairman had neglected her moral and intellectual responsibilities in her own Colonies and Dependencies, and there was also a genuine and urgent desire in foreign countries to understand the life and thought of British people.

These views encapsulated the early work of the British Council. During the war, the council was to make a radical change, the first of many, which enriched its future. The country was full of our allies, here "for the duration" and effort was required to provide a cultural and educational service. Originally called, without much tact, the Resident Foreigners Division (later the Home Division) it divided the country into regions to provide this service. After the war, there was some argument about the future of the council, the demarcation of its scope if the Ministry of

Information were to be retained, the exact position as an "official" source of information (always a sore point through the years) and some snide remarks from The Times.

A new role came quickly to hand with the large numbers of visitors who came to Britain under British Council schemes, and needed to be looked after, and also for the United Nations, the Commonwealth Relations Office, and later the Overseas Development Administration.

1934-1984
THE BRITISH COUNCIL

The British Council has had to survive a series of slings and arrows, not only of cuts to the budget, followed by increases - in no discernable pattern - but also lack of appreciation, attacks on political grounds, and for many years the unswerving hostility of the Beaverbrook press. In 1950, however, a cut of £354,000 drew angry letters from influential people to The Times. The problem is that the council, much-loved and admired abroad though it is, performs a job that is unquantifiable.

There have been 20 reviews of the council's work in the years since the war. The Droghda Report, the first of major importance, established the council in 1934 as the primary source for overseas cultural and educational work. There was a leap forward in the teaching of English in the 1950s and early 1960s, and the council increased its role as a development agency in the 1970s and 1980s. In 1977 came the bombshell. As the former Chairman, Lord Ballantrae, said, the Berrill bomb went off. This was the Review of Overseas Represent-

ation, carried out by the Central Policy Review Staff (the Think Tank) under Sir Kenneth Berrill.

There were two options for the British Council, the preferred one being its abolition, and the transference of its functions and those of smaller agencies to the Ministry of Overseas Development. The Department of Education and Science, and a new recruitment and placement agency. The other option suggested it could be retained, but that all work overseas should be done from diplomatic missions.

Once again, not only the great and the good but also the small and unknown protested. The *apologia pro vita sua* was well put by Lord Ballantrae. The work of the British Council had brought many advantages, including a flow of trade, he said, and continued "To interrupt, reduce or cancel it would not only be against our own interests: destroy an edifice constructed with care and devotion over 40 years; leave the field open to our rivals; reduce the demand for British technological knowledge and experience, and for books, technical and otherwise; and efface the work of many expert people with years of accumulated knowledge, who have dedicated their vocations to such work, it would annul a major contribution of Britain to the betterment of the world. And our friends - and enemies - overseas would think that we had taken leave of our senses."

The Council will always be vulnerable to political and financial pressures, but it has proved itself to have so many friends in high and low places that the celebrations of its centenary in 2034 will be an even more joyful occasion.

Philippa Toomey



Learning the language of traffic management: Planners in Calcutta receiving advice on a British Council-funded engineering project

Up against the Coca-Cola menace

The British Council could be said to have a vast captive audience overseas, so pre-eminence in English as an international language. The demand is enormous and to cope with it the Council has 40 centres in 30 countries in Europe, Asia, the Middle East and Latin America.

Officials like Peter Roe, a deputy controller (English language and literature) at the Council's London headquarters, are acutely aware that what the French term "la langue du Coca-Cola" is spreading its tentacles around the world; and, although he smiles dryly at the phrase, he stresses that there is a serious determination to put across "British English", with every modern weapon that human and technical resources can muster.

Currently the Council is launching a programme aimed at computer-assisted language learning (CALL) - what they call "more of the same but with chips". Six centres - in Singapore, Abu Dhabi, Madrid, Barcelona, Hamburg and Hong Kong - are to be equipped with Acorn BBC computers.

"We are ahead of the field of any country", Mr Roe says, "but we must make sure, getting commercial partners interested as well, that we stay ahead and ensure that our overseas operations are impressive and up to date."

"What we are good at in this country is producing ideas, but we are less good at following them through. We have to see that people with more money do not come and exploit them for us."

Ralph Isaacs, a regional language officer, helps control the department that provides the umbilical cord for the people who act as trainers in units called KELTS - Key English.

Language Teaching - which are spread, currently 150 of them, all over the "developing" world, which takes in a wide range of development from Bangladesh to Brazil.

These are supported by a services department in London managed by experienced specialists. The British trainer not only teaches but trains teachers, revises syllabuses and writes textbooks.

Thus the effect is a wide one and at the end of four or five years the trainer can depart, leaving local staff ready to take over.

This programme is funded by the Overseas Development Administration and is aimed straight at the grass roots - or in some cases, as Ralph Isaacs points out, the "bamboo shoot roots".

Places like the Republic of the Maldives, a scattering of coral atolls 500 miles south-east of Sri Lanka, which has a tuna-fish industry and a shipping line, has a small civil service which cannot train abroad.

"Experiences in the English language are thrust at them", Mr Isaacs explains, "and without English they are not going to be able to defend their independence. With it they are able to improve their capacity to deal with the outside world."

In many countries the department has English language officers who advise on local conditions and recommend ways of putting the British message across and the English language on the local market.

To take a few examples: workers at the Jeddah and Riyadh oil refineries in Saudi Arabia have been taught English by council-recruited teachers.

In Munich, the council's English language teaching centre has taught airport and computer staff.

In Singapore, courses have been designed for all government teachers of science, mathematics and social studies to enable them to teach in English rather than in Chinese in accordance with new government policy.

And, following the example of Greece, civil servants in Spain are being taught English in preparation for EEC entry. How its work is organized and funded depends on the differing factors in each of the 81 countries in which the Council is represented. An oil-rich kingdom like Saudi Arabia will pay for much of the assistance it gets either directly from the Council or some other British organization with which the Council works.

In Yemen, however, the team working on curriculum reform and the production of English for Yemen textbooks is paid for by the UDA as part of the KELTS scheme.

British publishers are frequently involved in books for language teaching courses: the pattern is being extended from books into materials using standards teaching aid in the Council's own centres and in schools and colleges in many parts of the world.

Kenneth Gosling

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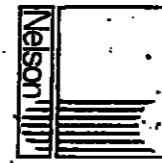


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How the curtain was raised for the arts abroad

If you were to ask what the Amadeus Quartet, the Stan Tracey Jazz Quartet, the Academy of Ancient Music and the Philip Jones Brass Ensemble have in common, apart from making music, it is that they were all helped to win international recognition through British Council tours abroad.

They, and other soloists and groups, will be appearing on June 27 at the council's jubilee concert at the Festival Hall in the presence of Princess Anne.

But as well as all its celebrations at home, the council is sounding many trumpets abroad this year, financing to the tune of £80,000 a United States tour by the English National Opera - the first, it may be surprising to note, by a major British opera company to the USA; and spending a similar sum on funding the Los Angeles arts festival organized for the Olympics period.

This ensures that companies such as the Royal Shakespeare, the Royal Opera and the London Contemporary Dance Theatre will get a look-in at a time when international attention focuses on Los Angeles.

Yet although the council is best known for promoting British arts and artists abroad, only 13 per cent of its total resources goes to this end.

The council manages to raise barriers in many ways. The Royal Shakespeare Company is recently back from its first tour of Europe for five years, mounted by the Council and taking in six European cities including Prague.

"Without the council", the RSC said, "you cannot get behind the Iron Curtain - they have contacts out there. They asked us to do this tour about two years ago and we had wonderful reviews and sell-out houses. Our association with them goes back many years."

In 1974, 25 years of the British Council's work in Uganda came to a full stop. The books in the library were given to Makerere University, and the offices closed. Last year, the council went back to Uganda, to begin all over again.

Keith Burd is the sole London-based representative, with five locally engaged staff. He has been there for 18 months, and it is reckoned to be a tough post. "It's a difficult country, obviously," he says. "The economy is shattered and there are security problems."

Before the decline in Anglo-Ugandan relations that led to the diplomatic break with the



Yet another forthcoming cultural attraction in which the council is playing a part is the Vienna Biennale for which it will be staging and choosing the British entrants.

The council has today greater cultural wealth available for export than ever before; each year it organizes or supports more than 300 drama, dance and music tours to more than 70 countries; 80 or more fine arts exhibitions to more than 50 and enters 300 films in at least 30 international festivals. And it makes 80,000 film loans from council libraries in the 81 countries where it has offices.

On an increasing scale, industrial sponsorship is "topping up" the limited amount spent on the arts. In the past two years £600,000 has been raised from commerce.

A £90,000 council subsidy, matched by a similar sum from Rank Xerox, made possible last year's round-the-world tour by the London Symphony

orchestra to Bangkok and Kuala Lumpur.

Commercial backing also helped to send the RSC round Europe and Donald Sinden on a 10-country tour in April and May with Triumph Apollo's production of *School for Scandal*.

Success can manifest itself on the grand scale. When the largest Turner exhibition yet held overseas closed in Paris in January, nearly 600,000 people had seen it. The French said it had been "a revelation".

There was also a glowing testimonial from the director of the Caracas Museum of Contemporary Arts about the impact of the Henry Moore exhibition last year.

"Over 20,000 people came on the last day", the director wrote. "In all, we had over 200,000 visitors in eight weeks, a record for this museum."

Someone had said only the Beatles at their peak could have drawn that many people.

"We do not quite agree with that remark", the director went on. "Only because we are certain that Henry Moore has actually made a greater stir and has had a much deeper impact than the Beatles ever could, and this among and upon a far more significant segment of the population."

This success abroad has brought increased pressure for visits by the artists of other countries to be given official aid and this is recognised by the existence of the Visiting Arts Unit.

However successful the prestige visit to another country by a leading British artist, company or exhibition may be, the Council does provide subsidy for events it considers will be appreciated overseas and reflect well on Britain. It does not, it points out, concern itself exclusively with Britain's most prestigious and glamorous arts companies.

KG

Working towards a revival

At the moment, the council administers a technical cooperation training programme, which will enable 190 people to come to Britain to train in public administration and finance, natural resources, transport and communications, education and security. Each candidate is selected on an individual basis, and they have to return to the job they were doing in the first place, so that they can put their skills into practice.

During 1983/84, 150 people came to Britain from Uganda, some for short study visits of two or three weeks, some for study bursaries (two to six

months) and for specialist courses and Training fellowships and scholarships. From Britain went 23 visiting specialists, and one drama tour, the London Shakespeare Group, which was well-received, and a performance was attended by President Milton Obote.

Plans for further growth include the expansion of the teaching of English in a modest way by the appointment of two teachers, one at Kyambogo National Teachers College, and one for Nagongira College, Toronto.

"We are trying to do a number of things for the university and other educational institutes and organiza-

tions," says Keith Burd, "but we are hampered by the severe lack of basic facilities, like telephones and communications. Whatever the efforts are, it is difficult if the university does not have enough money to pay the salaries of their staff."

On the other hand, he is cheered by the welcome that the work receives. "They do want the contact - books and magazines are welcome, all the things they haven't had for so long. It helps to raise morale to know that other people are interested, and that we are trying to keep the lines of communication open. It's a modest ambition, but worthwhile."

PT

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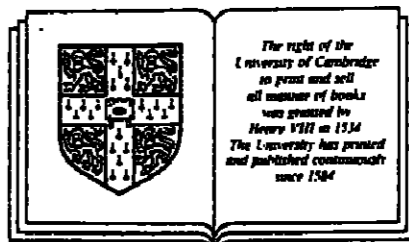


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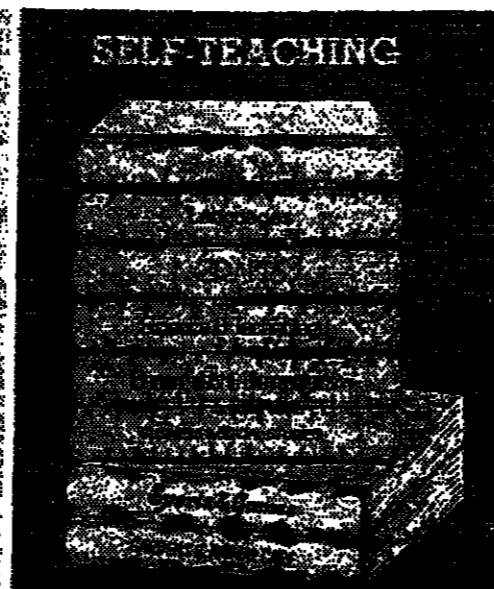
The Trustees and staff of International House would like to wish the British Council a happy fiftieth anniversary.

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ENVIRONMENTAL STUDIES

Why even Poles read in English

There is always a line of between 30 and 40 people waiting to get into the British Council library in Calcutta where the membership is a staggering 10,000 at any time. The information comes at first hand from Robin Twite who returned from there in January, on the coldest day of the year in Britain, to become the council's controller of the books, tapes and information division.

Book sales worth £350m a year

"It's an invigorating experience," he told me. "But you may ask, why are there so many? The answer is that obscure Indians have a habit of becoming not so obscure and that sort of mass library has a very great importance in the long term."

"In developing countries the demand for books and information is totally insatiable; in India, many of the people we dealt with only knew about the library."

There are 114 council libraries overseas; 80,000 Indians belong to the 13 libraries in that country. In total,

worldwide there are two million books in Council libraries and last year six million issues were made to 300,000 people.

Calcutta's enormous total, incidentally, is even more remarkable viewed from the standpoint of the member who has to pay what to us might be a small fee (£4) but is to that member a not inconsiderable sum.

Not inconsiderable sums are involved in the council's general book purchasing and the help it gives British publishers in gauging and filling demand for our books abroad. Mr Twite: "The Council either directly for our own libraries or indirectly for the ODA (Overseas Development Administration), is open of the biggest buyers of books in the whole of Britain. The British Library purchases £60m-worth annually - we spend £3%. Total expenditure on books in Britain is £56m so our market share is good."

The sale of books abroad by British publishers is worth £350m a year and the council supporters this export effort by identifying demand, which can vary from country to country, and seeing that people

"In some countries it takes an act of courage to cross the line into such a place", Mr Twite says. "The value to them

lies in the fact that we don't fill our libraries with institutional propaganda - we always try to make the selection as neutral as possible.

"We want people to become familiar with what is happening in Britain, but not to forcibly feed them."

A centre for escape from tension

Readership in Ethiopia has risen by 45 per cent and they are still open in Poland through sheer doggedness.

"In the 50s all other libraries in western Europe closed; in Poland readership fell to almost zero. But because the library remained and we didn't succumb to short-term pressures, we were allowed to stay."

"It became very important when things relaxed slightly in the 60s and 70s and it remained a centre for people to escape from those tensions. We have not gone out of our way to take advantage of the situation."

Kenneth Gosling

David Walker reveals the three sides of the council - and its funding

"Poets and politicians, scientists and artists all over the world know of the British Council and can tell you what it does," asserts a council official. But the fact is that - in Britain at least - the council's public reputation is a misleading guide to what it actually spends its £150m a year budget on.

To the public cultural diplomacy mostly means "high culture" - the operations of the council in a world of Shakespeare wallahs, London Symphony Orchestra tours of the Far East, Turner exhibitions in Paris, a Henry Moore retrospective in Florence.

The council promotes all these things and proudly, but nowadays a more accurate picture of the bulk of the council's work would feature a council official in Cairo doing the paperwork for a Egyptian water engineer coming to Britain for a short course paid for by the Overseas Development Administration.

In a sense there are three British Councils, something reflected in the complex methods by which the council receives public money. The core of its traditional "cultural" work lies in arts sponsorship, the promoting of exhibitions, the council's magnificent array of libraries (110 at the latest count) offering not only books but film and video and - increasingly - access via computers to electronic data-bases.

Within this core are the council's own scholarship programmes aimed at up-and-

coming academics, officials and politicians and conceived, overtly, as a means of winning friends for Britain. Picking winners is a hazardous business - the now deposed President Shagari of Nigeria has come to Britain as a council scholar - but the council tries to keep abreast of local conditions.

This spread of council work corresponds to the portion of its main budget paid by the Foreign Office under the rubric of "overseas information". Although this amount has been reduced as a proportion of both the main budget (now just over 40 per cent) and the total budget (nearly 25 per cent) council staff give the impression that it still represents the "heart" of the organization.

But the council has - in Whitehall terms - a split personality. By far the bulk of the public money it receives comes from the Overseas Development Agency and is, in theory, intended for use in the Third World with (ODA officials say) no necessary "cultural" component at all.

The council receives a good part of its main budget from ODA (some 26 per cent this year) and in addition nearly

£60m for administering ODA schemes or acting as its agent both at home and overseas.

According to an ODA official "British Council chaps have local knowledge; they are dedicated; they provide an 'infrastructure'. Until a decade ago there was a training

Where the money comes from

	£m
A. Earnings from English classes, testing	20.2
Administering development schemes	5.7
Overseas Development Administration	23.0
Foreign and Commonwealth Office	38.2
Main budget	87.1
B. Acting as an agent for the ODA	52.9
Acting as an agent for the UN, etc	15.6
Agency budget	68.5
Total	155.6

executive within the Overseas Development Ministry (as it used to be called); now the council administers a programme for technical cooperation which in 1983-84 brought some 8,000 fellows for study and experience in Britain. Over half came from black African countries south of the Sahara.

Although relations between the ODA and the council are cordial, there are sometimes signs of anxiety on the former's part that money intended for developing countries is being spent elsewhere. By and large, ODA officials are full of praise for the council's network of expertise. "They have the contacts. We couldn't set up the links on our own - at least not without a substantial increase in staff."

The British Council's third face in only partly represented in its budget - in the £20m it now earns from selling British educational skills. The council is both a commercial organization in its own right and also an active promoter of British commercial interests overseas, notably those of the book trade.

Council officials were hurt when Tory MP Keith Hampson said that education should be as marketable as armaments and implied the council was not doing enough to generate "spin off". In reply the council cited the rapid growth since the end of the 1970s of its teaching centres which now enrol some 52,000 fee paying students. In addition it promotes English teaching by private colleges in Britain and helped textbook publishers carve a new market in Saudi Arabia, the Gulf and South East Asia.

A sense of how the council's three sectors have moved in recent years emerges from

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FINANCE AND INDUSTRY

Executive Editor Kenneth Fleet

Pearce steps nearer the GEC throne

The suggestion in this column yesterday that Sir Austin Pearce might end up as chairman of the GEC following the departure of Lord Carrington came a step nearer yesterday when British Aerospace called off its rival merger talks with Thorn-EMI. Sir Austin is still talking to GEC.

Thorn's Mr Peter Laister was not actually conceding defeat yesterday, contending himself with a holding statement that Thorn was reviewing the situation with its advisers. However, as soon as Sir Austin's revelation of the talks at the British Aerospace annual meeting flushed Lord Weinstock out as a rival suitor, the odds have looked stacked against Thorn-EMI financially.

British Aerospace spent this out in the most graphic way yesterday by revealing what appear to be Thorn's final terms of three Thorn-EMI shares for every four of Sir Austin's. This would have given British Aerospace shareholders an apparently generous 46 per cent of the combined company and would, on recent market prices for Thorn shares, have valued BAE's at about 400p compared with 368p at the time of the announcement. But as the statement pointed out, this offer was only as good as the value of Thorn's paper. With the stock market falling sharply since talks opened and the City far from happy about Thorn's strategy, there was no guarantee that value would hold up. Indeed, there was no guarantee that the combined company would be valued on Thorn's rating rather than BAE's lowly one.

This, naturally, is to ignore the logic of a Thorn/BAE merger, which is to use the enormous surplus cash flow from Thorn's television and video rental businesses to provide the long-term cash to fund BAE's projects, the lack of which has been the basic shadow hanging over its stock market image. However, as yesterday's BAE statement confirmed, this logic can be stood on its head as a mismatch between long and short-term businesses that require different managerial and investment strategies.

Given Sir Austin's rejection, there will be little for Mr Laister to talk about with his advisers. Without the agreement of the BAE board, it is highly unlikely that the government would agree to throwing its own stake in BAE into the merger pot.

All this must be music to Lord Weinstock's ears as it leaves the way open for GEC to press its own suit with the value of its £1.5 billion cash mountain swelling relatively with very drop in the 100 share index. It has plenty both to fund BAE's development and to provide cash balance for an offer. Cash would suit the government. A big deal would suit GEC, which has been faced not only with charges that it does not know where it is going, but more immediately with doubts over the returns available on its cash resources in the money markets. But a deal still has to be struck and that has proved something of a stumbling block for GEC of late.

A problem of dual capacity

The Government's long and painful quest to find a successor to Sir Kenneth Sharp as head of the Government Accounting Service is at last at an end. On October 1, Mr Anthony Wilson, a partner with accountants Price Waterhouse, steps into

the hot seat. The job has been shifted from the Department of Trade and Industry to the Treasury where Mr Wilson also takes on the role of accountancy adviser to the Treasury. This underlines both the importance Mrs Thatcher gives to accounting disciplines in the civil service and also the fact that Sir Kenneth was in the end defeated by the mandarins.

The dual capacity role will give Mr Wilson a lot to think about. His job ranges from advising on the management accounting aspects of public expenditure control to the development and deployment of accountancy expertise across all Government departments.

It is a hard task and perhaps this is the justification for his £75,000 salary. However, he will face a lot of pressure both from the accountancy profession and Whitehall. From the former to enhance the standing of accountants in Government and from the latter to produce some tangible examples of improvement in departmental performance.

The Government is committed to doubling the number of accountants in the civil service to about 1,300 over the next 10 years. It will be Mr Wilson's task to channel these resources carefully. He must concentrate on bringing good accountants into the civil service rather than training civil servants how to be accountants.

Carless throws off its history

Few of Britain's oil companies can have had such an eventful last 12 months as Carless Capel, that most splendid and worthy of corporate outfits whose origins date back to the middle of the 19th century and which claims to have invented - for its sins - petrol. A £20m rights issue, the arrival and subsequent departure of a new chief executive, Mr Graham Hearn, the successful if belated acquisition of a stake in the Wyth Farm oil field in Dorset previously owned by British Gas. These are just some of the highlights of the year which Mr John Leonard, Carless' chairman, records in the latest report and accounts published yesterday. Less prominent is the fact that Mr Leonard himself, a descendant of the founder, having retired when Mr Hearn arrived from Tricentral, was forced to return to take up the reins when the Government subsequently poached Mr Hearn to lead its new privatization venture, Enterprise Oil.

Mr Leonard is predicting that Carless will see "a substantial increase" in profits this year as a result of the Wyth Farm deal. Last year's profits were £4.9m pretax, double the previous year's endeavours but still a modest return after no fewer than 125 years of refining and marketing experience. There were some costs associated with the rapid changes of the last year. A sum of £158,000 is being paid in compensation to former employees for loss of office, £75,000 of it to the managing director of Carless Chemicals as part of the management buyout deal which was announced in March. By inference the balance will be going to Mr Alfred Levy, the former managing director who left the company last year when it appeared that Mr Hearn had arrived to take on the corporate mantle. It is ironic that the company should be denied permanent leadership at the very time when it is at last poised to break out of its century-old tradition of solid but unglamorous growth.

Fall in building society saving puts pressure on loan rates

By Vivien Goldsmith and Michael Prest

British interest rates appeared to be under further upward pressure yesterday as the building societies reported their lowest net cash receipts for nearly a year and gilt prices fell.

Net new deposits from building society savers fell to £445m in May from £638m in April. It was the worst month for the societies since last June when they took in only £319m. Gross withdrawals in May were high at £3,950m.

At the same time, however, the societies lent a record sum of £2,204m in May, and promised another £2,434m to applicants for mortgages. As a result, the societies were forced to use the wholesale money markets to cover the difference. A net £281m was raised in this way, the biggest such

exercise since last October. The change in the societies' financing requirements was particularly noticeable because they were net repayers of £23m to the banking system in April.

The building societies cut their ordinary share account interest rate by 1 percentage point to 6.25 per cent in March. Mr Richard Weir, secretary general of the Building Societies Association, admitted yesterday that savings may have declined in May because competing interest rates were more attractive.

But he also said that societies were launching new savings instruments with higher interest rates and should be able to entice some of the business back. "We do not see ourselves under pressure at the current

level of interest rates for the time being", he added.

Building society sources pointed out that withdrawals normally rose at this time of year to pay for holidays and that the high level of lending may have been caused by people trying to complete home improvements before June 1 when they became liable to Value Added Tax.

Nevertheless, the sources expect that monthly lending will continue to run at more than £2,000m. The societies' liquidity ratio is now down to 19 per cent, and it would be worse but for their being able to buy each other's certificates of deposit.

Purchases of CDs rose from £33m in April to £146m last month. The societies have been reducing their liquidity by

£200m a month since their gilt investments were made less attractive.

The gilt market was beset by fears that the May Public Sector Borrowing Requirement figures would be bad for the Government, and a runner, subsequently denied, that Dr Henry Kaufman of Salomon Brothers would forecast a rise of 4 points in American interest rates. Short-dated stocks fell 3/4 of a point, while the fall in longs was almost a whole point.

These rumours, and the evidence that the building societies are having difficulty attracting adequate funds, could revive the conviction, widespread in the market until the last money supply figures were published, that interest rates must go up.

Argentina bypasses IMF debt team

By Our City Staff

The International Monetary Fund is unlikely to be satisfied by the austerity measures proposed unilaterally by Argentina in a letter of intent delivered directly to the IMF headquarters in Washington.

Senior IMF officials were taken aback by the unorthodox approach in going over the heads of a five-man IMF team in Buenos Aires.

But Argentine's economy Minister, Senator Bernardo Grunin, denied that lack of prior approval from the IMF negotiating team meant a rupture with the organization and said the letter of intent in fact "marks the formal beginning of negotiations".

Argentina's letter of intent requested a reported short-term credit of £1.1 billion from the IMF to help meet the £5.5 billion interest payments due this year on foreign debt totalling \$43 billion.

The IMF requires an acceptable letter of intent outlining economic policy guidelines before granting emergency credit to any member nation.

The text, released in Buenos Aires, confirmed speculation that the six-month government of President Raul Alfonsín had adopted a tough stance with the IMF and private foreign creditors.

Senator Grunin, in his letter to the IMF President, M. Jacques de la Roissière, said his government would take "self-

protective measures" to ensure that foreign debt repayments did not "endanger political and social stability".

Argentina failed to reach an agreement on several key points with the IMF negotiators who were required to give prior approval to the Argentine programme, according to government sources.

The Alfonsín administration then reportedly decided to send its unorthodox proposals direct to M. Roissière in the hope that the IMF Board of Directors would approve them.

The letter reveals a growth-oriented economic programme that apparently violates traditional IMF guidelines on several points: it proposes a high-budget deficit of 9.6 per cent of the gross domestic product at the end of this year, contains no significant cuts in the federal budget, and insists on President Alfonsín's commitment to raise public-sector real wages by 6.8 per cent this year, agreed with the main opposition party.

Trade figures in the letter of intent predicted a foreign trade surplus of \$3.8 billion this year but did not specify what percentage would be used to meet repayments on the debt.

The proposal implies a need for \$3.1 billion in fresh credit (above and beyond what it may receive from the IMF) to meet the \$5.5 billion in interest payments due before December.

ECGD cover increased for Mexico

By Derek Harris Commercial Editor

British exporters to Mexico will be able to call on increased medium-term cover this year from the Export Credits Guarantee Department.

The decision, announced yesterday, follows an ECGD review of Mexico's successful debt adjustment programme last year, after running into financial difficulties.

The Minister for Trade, Mr Paul Channon, announcing the decision, said: "I hope the continued success of the Mexican programme will mean more cover can be made available in subsequent years."

Proper adjustment programmes increased mark of confidence and brought benefits to a debtor country, to British exports and to world growth, he pointed out.

The minister was speaking at an Institute of Directors conference in London where Mr Jack Gill, secretary of the ECGD, reviewed the department's role following the Sir Peter Mathews committee's recommendation that it should become a public corporation 'by 1990, although still with Government backing.

Mr Gill, commenting on the ECGD insurance role, said: "We are bound to ask whether the private sector can provide the facilities given by ECGD, and if not why not?"



Professor Smith: plea to freeze Lornho holding

Lornho pact pressure from OFT

By Philip Robinson

The Office of Fair Trading is still pressing Lornho for undertakings that it will not increase its influence over the House of Fraser stores group. A Monopolies and Mergers Commission investigation into the possible merger between the two is due to be carried out.

But Lornho refuse to comment on whether agreement has been reached, but inconclusive discussions with the OFT have been going on for more than a fortnight. The undertakings are designed to preserve the "status quo" and not prejudice the commission's inquiry.

Members of the panel which will decide whether an investigation is necessary have now been selected. If Lornho fail to give undertakings, Mr Norman Ebbitt, the Trade and Industry Secretary, has the power to make an order to see that the "status quo" is kept.

The Department of Trade and Industry says it has no knowledge of an imminent statement on the issue despite both Lornho and House of Fraser executives believing that a statement from Mr Tebbitt will be made this week.

Professor Roland Smith, House of Fraser chairman, and Mr Ernest Sharp, property director, have written to Mr Tebbitt and seen Mr Alex Fletcher, the Minister for corporate and consumer affairs. They have impressed on both the need to freeze the Lornho holding to stop it being used to unseat the two House of Fraser directors at the annual shareholders' meeting.

The meeting has been postponed from June 28

NEWS IN BRIEF

Disney bid fought off

Walt Disney Productions has fought off a threat to its independence by buying back 11.1 per cent of its shares held by Mr Saul Steinberg's Reliance Group.

The move ended Reliance's bid to take over Disney and settled the financier Mr Steinberg, a gross profit of \$59.8m on his investment of \$265.6m.

Mr Peter Miller, chairman of the Lloyd's of London insurance market, will tell members at this month's annual meeting that the market's central funds will not be used to meet the losses of individual "names" who back underwriting syndicates.

Lloyd's also announced that the annual reports of syndicates will be available for public inspection from this week.

● ARTHUR GUINNESS, the brewers, yesterday announced half-year pretax profits of £29.2m (£24.3m) on sales of £118.1m lower at £424.1m. The interim dividend is 1.82p net (1.655p).

Tempus page 21
● FERGUSON INDUSTRIAL HOLDINGS, the packaging to building supplies group, has increased pretax profits for the year to February 29, 1984 from £3.8m to £6.5m. Turnover increased to £137.4m from £119.2m. The final dividend of 4p makes 6.5p for the year against 5.7p last time.

Tempus page 21
● Metal Box to pay a net dividend of 15p (11.55p), after a £28m jump in pretax profits to £70m for the year to March 31, 1984. Net borrowing fell £65m to £55m.

Tempus page 21
● GOLD
London gold price (per ounce):
June 13, 1984
£374.875
New York (June 13, 1984)
\$371

Insurers face new satellite blow

London insurance brokers yesterday were attempting to assess the effect of a \$62m (£45.4m) insurance claim which the market is due to pay to the owners of a communications satellite lost minutes after its launch from Florida last Saturday, writes Bill Johnstone, our Technology Correspondent.

The third substantial claim within six months, it represents about 60 per cent of the \$102m (£78.4m) insurance in the London market. An Indonesian communications satellite, Palapa B2, was reinsured for \$75m of which two-thirds was placed in London.

In February London accounted for about £75m of the compensation to be paid to the owners of two satellites lost by the American Shuttle within days of each other. The first called Westar 6, owned by Western Union, with a cover of \$105m and 50 per cent of the insurance in the London market. An Indonesian communications satellite, Palapa B2, was reinsured for \$75m of which two-thirds was placed in London.

The West, during the past two months, has built up its stocks by more than 200,000 barrels a day, because of the war.

However, the increase in stocks and the impact of the two countries' attacks on shipping in the Gulf region have largely been discounted by oil traders on the Rotterdam and Singapore markets.

Iran is prepared to compensate for increased insurance rates for tankers entering the Gulf to collect cargoes of Iranian oil. Iraq is also offering prices below the price set by the Organization of Petroleum Exporting Countries (Opec).

According to BP statistics, world oil stocks are now running at just over 100 days' supply. About 60 days' stocks are held by governments as strategic reserves, the remainder by industry and oil companies.

Mr Russell Seal, BP general manager of trading and supply, said yesterday that any doubts about the security of world supplies would have been reflected in market prices. "But so far the markets have not moved," he said.

Iran and Iraq sell cheap despite war

Yesterday, BP published its 1984 statistical review of world energy, which shows that the steady downward trend in demand for oil in the three years following 1979, now appears to be levelling out.

In 1980, 81 and 82, oil demand dropped by 3.1 per cent each year. Last year it dropped by 1.1 per cent to 2,794 million tonnes, the same as in 1973.

Consumption in the west in 1983 fell by 3.1 per cent to 585.7 million tonnes, the lowest since 1969. The world's largest oil consumer, the United States, reduced its consumption by 0.7 per cent to 700.3 million tonnes.

In Britain demand was down by 4.1 per cent to 72.4 million tonnes. Consumption in Germany fell by 2.2 per cent to 109 million tonnes, in France by 2.4 per cent to 83.7 million tonnes.

The BP figures also show that the share of world oil markets held by the Opec fell in past year by 8.1 per cent to 32.5 per cent of world production. Britain has increased its output from the North Sea by 11.1 per cent to 114.9 million tonnes a year and Norway by 24.7 per cent to 30.6 million tonnes.

Amoco has found oil adjoining the Ertirick field, where significant discoveries have already been made. Further appraisal work is planned and the discovery could provide the catalyst for bringing the Ertirick field into production.

Another US oil company operating in the North Sea yesterday confirmed that its \$404m investment to bring the

called Westar 6, owned by Western Union, with a cover of \$105m and 50 per cent of the insurance in the London market. An Indonesian communications satellite, Palapa B2, was reinsured for \$75m of which two-thirds was placed in London.

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Metal Box p.l.c.

Financial Report 1983/4

"Substantial growth in earnings and increasing financial strength—opportunities for further improvements."

Denis Allport, Chairman.

☐ Earnings per share rose by 133% to 58.7p

☐ Proposed dividend for the year raised to 15p an increase of 30%.

☐ The South African restructuring coupled with tight control over working capital contributed to a cash inflow of £66m.

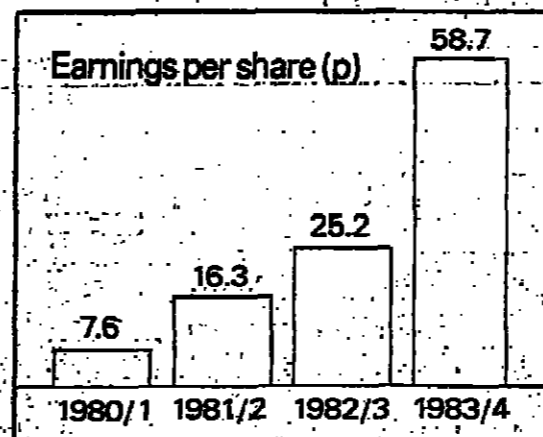
☐ Further strengthening of the balance sheet reflected in gross gearing of 24%.

☐ Organisational changes enable the Company to serve its markets better.

Summary of Results

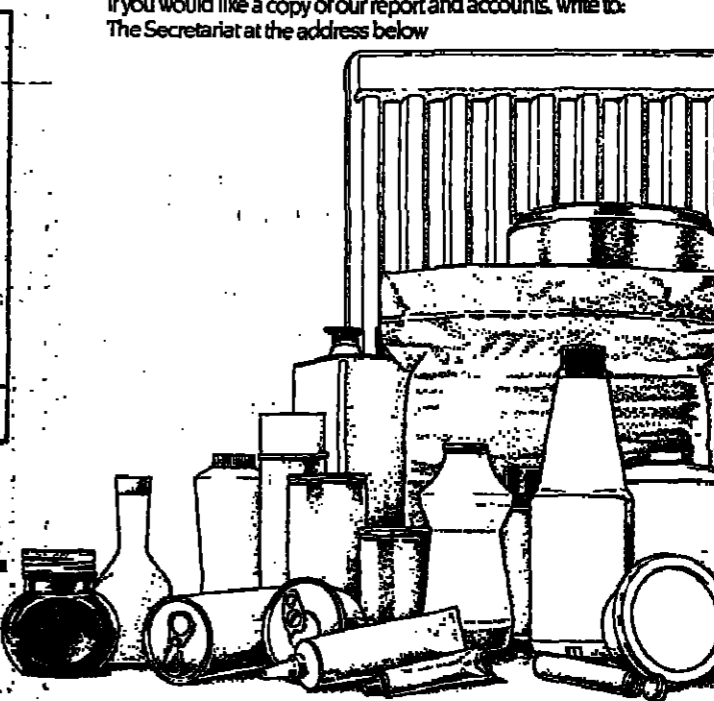
	1983/4	1982/3
	£m	£m
Worldwide sales	1263	1371
Trading Profit	92	88
Interest	(22)	(36)
Profit before tax	70	52
Dividend for year	15.00	11.55
Earnings per share	58.7	25.2

If you would like a copy of our report and accounts, write to: The Secretariat at the address below



Metal Box p.l.c.
Queens House, Forbury Road, Reading.

See also Oracle Page No. 561.



Details and sample copy from:
RESEARCH PUBLICATIONS LTD;
 P.O. Box 45, Reading RG1 8HE, England. Tel: 0734-383247

ACCOUNT DAYS: Dealings Begin, June 4. Dealings End, June 15. \S Contango Day, June 18. Settlement Day, June 22.
 \S Forward bargains are permitted on two previous days.

A.

B.

STOCK MARKET REPORT

Dee Corp increases its stake in Booker McConnell

By Derek Pain and Michael Clark

The Dee Corp. underlined its intention to gain control of Booker McConnell, the agricultural to pharmaceutical products distributor, yesterday by spending an extra £7m in the market to increase its stake.

Last night it was confirmed that Dee now owns a total of about 16 million shares, or roughly 15 per cent of the total issued equity.

The news was treated cautiously by Mr Michael Cairns, chairman of Booker, who said: "We understand that is the case."

Mr Cairns is still opposed to the bid and urges shareholders to take no action. Dee has already bid three of its own shares, plus 400p worth of 10 per cent of convertible unsecured loan stock 1999/2001 for every 10 shares of Booker.

This valued Booker's shares at 165p each. By last night's close the group was valued at £234.7m with the shares closing down 5p at 187p - still well below Dee's initial bid of 165p a share.

Takeover speculation continues to buzz around Minister Assets, the financial group, persistent overseas buying lifted the shares 3p to 145p yesterday suggesting that a new shareholding will have to be disclosed shortly. The Kuwait Investment Office already has nearly 19 per cent.

The market speculators are still hoping for news of a white knight willing to increase the terms for Booker and rescue it from the clutches of Dee.

Shares never really recovered from an early burst of selling. At the first call over the FT index was down 7.1 points as worries about interest rates and Wall Street's weakness produced sellers. But once the initial disposals were completed the selling dried up and trading came to a virtual halt.

The index hovered around until late afternoon when shares of two constituents, Thera-EMI and General Electric, improved on the announcement that Thera has apparently given up its quest for British Aerospace.

With Thorn up 15p to 557p and GEC recovering a fall to hold at an unchanged 180p the index decline was cut to four points at 834.1 points.

Government stocks had a ragged day although they closed above worst levels. Even so falls were up to 4p.

Central and Shaverwood, the engineering group, eased 1p to 99p after new chairman Lord Eden said it had swung from a £41,000 profit to a £4.9m loss. Exceptional and extraordinary items accounted for around £4m. A much better performance is forecast for the present year with a return to profits next year.

Garage group Adams and Gibson surged 12p to 166p after it was disclosed that a consortium headed by Messrs S. Shaw and K. Chaudhry and friends had acquired a 16 per cent shareholding. "We have had no meetings with them and know nothing about them", said Mr Richard Adams, chairman of the family controlled company.

Queens Moat Houses, strong on Monday following an institutional visit, held at 46p. Prince of Wales Hotels, where Taddale Investments now has 60 per cent, was unchanged at 82p.

Comfort Hotels International was 43p as dealings started in its new convertible loan stock. Profit forecasts for the present year are suggesting £3.6m against £2.4m.

Gomha Holdings, the major vehicle of Mr Abdul Shamji, while increased its shareholdings in Belgrave, the foreign concern, to more than 32 per cent following recent market buys. Belgrave's shares slipped 4p to 132p.

Newcomer Hunter Saphir, the food group, made an impressive start. Against expectations of an 18p premium it hit

150p, 30p above the placing price.

Birmis Quilcast, the lawn-mower group, gained 2 1/2p to 84p as takeover speculation revived. Another to improve was engineers John Brown, up 2p to 26p. It seems that prospects for the deeply troubled group are improving and the rescue plan is going through.

The fact that one stockjobber was short of stock also helped. Home Charm was unchanged at 153p after news of the £7m acquisition of Unit Sales, a Midlands-based company which operates a chain of home improvement centres. Home Charm is issuing about £4m worth of 7 per cent convertible unsecured loan stock 1997/2004, to help pay for the company. Last year, Unit Sales made pre-tax profits of £902,000.

Dramatic downward re-rating of Padrol, makers of electrical energy saving controls, appears at last to be over. The year's profits were down from £461,000 to £429,000, putting the shares, now 203p, on 10.5 times earnings. Current year's profits should be modestly better but the high flying days when they hit 485p are likely to remain a mere memory for some considerable time.

Weighted down by the never ending threat of world debt and higher interest rates bank shares continued to lose ground. Nervous selling clipped 5p from Barclays at 496p, 10p from Lloyds Bank at 529p, Midland 2p at 332p, National Westminster 5p at 539p, while Bank of

Scotland was unchanged at 324p. Royal Bank of Scotland bucked the trend rising 2p to 314p still awaiting terms of the Monopolies Commission inquiry into Lloyds Bank expected any day.

The modest rally in the gilt market made little impact on the discount houses where prices closed at their low for the day. Carter Allen Holdings dipped 10p to 443p in ex-dividend form. Gerrard & National lost 5p to 287p, while King & Shaxson eased 2p to 148p. The only two to resist the trend were Jessel Tynbee 1p to 89p and Seacombe Marshall 10p to 310p.

The composite insurance companies fared little better as nervous selling again took its toll. Phoenix Assurance, the butt of several brokers' sell recommendations in recent days, continued to take its toll. The shares lost another 6p to 440p with brokers Rowe & Pimman and Laurie Milbank both taking a bearish view of the shares.

Elsewhere, Commercial Union slipped 3p to 214p. London United Investments 3p to 215p, and Royal Insurance 5p to 561p.

Marking down by the jobbers did little for the insurance brokers most of which closed lower. Even Hogg Robinson slipped 3p to 183p despite rumours that the Merican broker Shearson American Express was casting an appreciative eye. Other losers included CR Smith 3p to 423p, Miles Holdings 1p to 157p, Reed Stearnhouse 5p to 645p, Sedgwick Group 1p to 244p, Stewart

Wrightson 2p to 363p and Willis Faber 3p to 804p.

Bass, our biggest brewing group, was 3p down at 380p as speculation mounted that it has a leading hotel acquisition in its sights.

It is thought that the group, which recently reported a 35 per cent increase in profits, is looking at an American hotel chain. Bass is already a big force in the British hotel industry and is represented on the Continent.

Mr Derek Palmer, chairman, has made a number of comments recently indicating that a hotel take over, if not in the US then in Europe, was high among the group's priorities.

On many occasions Bass has been linked with Ladbroke Group which has extensive hotel interests. But any bid would overlap with the two also overlapping on betting shops, almost certainly suffer a Monopolies Commission reference. Ladbroke has been extending its property operations - it is raising £54m to develop its US property side - and there has

Shares of Fitch Lovell, the food group, slipped 2p to 149p after 60 card members lunch in the City with a leading firm of stockbrokers. Analysts are looking for between £15m and £16m compared with £14.6m last time. The lunch appears to have done little to alter the market's original forecast.

been vague talk that it may be prepared to sell its hotel or at least a major proportion of them, to Bass. Ladbroke was 3p lower at 212p.

The bullion price continued to lose ground closing at \$375 an ounce which produced early selling of gold shares. Prices recovered later in the day to close above their worst levels of the day. Among the heavy weights, Harlebeest closed \$1 lower at \$80. Klok 3 1/2p to \$24.4, while Randfontein closed unchanged at \$150.

At the cheaper levels, prices were a bit more resilient. Lorraine lost 12 cents at 443. Equity turnover on June 11, was £184.189m (14,894 bargains). The number of British listed Irish stocks traded was 102.1 million. Gift bargains totalled 3,216.

TEMPUS

Martin poised to become a sweetener for Guinness

The half-yearly figures from Arthur Guinness were inevitably overshadowed yesterday by the implications of the nearly clinched bid for Martin the Newmarket. Nevertheless, it is apparent that Martin will be joining a group which is now bearing the fruits of rigorous rationalization and cost-cutting and is hungry for growth.

Profits of £29.2m for the latest six months were towards the top end of analysts' forecasts. They were drawn from growth in the US, where sales of lager, Guinness and Bass rocketed by no less than 40 per cent. That is from a relatively small base, but it shows the scope in a large consumer market free of the restrictions besetting our own tight little island.

However, although earnings rose 39 per cent, the dividend is boosted by less than 10 per cent to 1.82p a share, thanks to the need to conserve resources for investment. The efficiency gains will soon run out, and the maturity of the Guinness markets both here and in Ireland mean that expansion has to come from elsewhere.

That is where Martin comes in. It is closely intended to be a platform for a strategic move into consumer goods retailing. Newspapers, tobacco and sweets will be used to attract people into the shops. Then the plan is to present them with a tempting range of other products carrying larger margins.

A due to future intentions may lie in the company's Irish operations, where it is involved in soft drinks, wines and spirits. It is an open secret that Guinness would have liked a United Kingdom retail chain more closely related to the drinks business, such as off-licences. But no such nationwide chain exists. So it is possible that Martin will be developed into drinks outlets, if the licensing authorities will permit it.

For the foreseeable future, though, the group's front-line troops will be engaged in pushing stout and lager overseas. After the US, Germany. Then the rest of the OECD list.

The Takeover Code inhibits official forecasts for the year, but £68m looks on simply by repeating the traditional half-to-half split and extrapolating the present trend. At a share price of 146p, that would give a price-earnings ratio of 6.4 - undemanding for a stake in Mr

Ernest Saunderson, a talented leader who still feels he has much to prove.

Ferguson

Ferguson Industrial Holdings is keen to pursue a policy of growth by acquisition, but only if the price is right. Four times last year it entered negotiations to buy companies in the building supplies sector and four times it came away empty-handed.

Ferguson has made no secret of its intentions to expand in this sector but, as the vendors found out, this enthusiasm is not allowed to cloud the commercial realities of and acquisition. Ferguson would not be tempted into an auction. The companies on offer priced themselves out of the acceptable investment category. At a p/e ratio of between 10 and 12 they might have been bought; but they wanted half as much again.

Building supplies contributed over 30 per cent of Ferguson's trading profit last year, and without any acquisitions the division has now reached a profits plateau. However, it returns 22 per cent on capital employed which is enough to keep the management content until the next investment opportunity arises.

At an industrial holdings company, Ferguson is keeping its options open. It has non-disclosable stakes in 15 publicly quoted companies. These are used as means of introduction allowing Ferguson to assess whether there is any common ground. More often than not tentative approaches are turned down but gains on the sale of the investment will normally compensate for the disappointment.

Printing and packaging continues to be Ferguson's biggest profit earner, contributing £4.6m out of £7m at the trading level. Problems still abound, however, in the manufacturing division even though losses have been checked quite considerably. Further rationalization can be expected in the coming year.

One option open to Ferguson is the creation of a consortium with other companies in a similar field. This approach is being considered for the steel flooring business and also for the company's ship repairing interests.

With net borrowings now down to 10 per cent of

shareholders' funds Ferguson is ideally poised to pursue its acquisition policy when opportunities arise.

The share price was up 4p to 146p yesterday but with interest rate prospects likely to slow down in the short term it may take an acquisition to bring out the real improvement.

Metal Box

Stocks down: massive rationalization/redundancy charges (£23m) below the line; subsidiaries sold off to major trading competitors in South Africa; nil volume sales gains; and huge hike in the dividend - Metal Box looks to have back-from-the-brink trends in British industry.

Were the process to continue indefinitely, presumably Metal Box would eventually forget about trading, transforming itself into a cash-laden coffin, crafted for some predator. A flat sales forecast for the current year lends weight to this view.

Yet the Metal Box board claims emphatically that last year represents far more than an aggressive rearguard performance, insisting that retrenchment of the early eighties paves the way for expansion now. A £30m jump in last year's capital spending to £76m endorses such optimism. So too do the whispers about new Metal Box products on the launching ramp.

Metal Box knows how to slice internally, witness the £15m profits upturn at the Open Top packaging side, and the Stelrad central heating division. Both cash and long-term management time contributed to the turnaround.

Yet last year's extraordinary South African deal contains the most potent metaphor for Metal Box future. Subsidiary packaging interests were turned into associates of a Barlow Rand subsidiary raising £40m in cash; generating a surplus of £30m over book value which conveniently netted off against the reorganization costs.

The group sounds keen to build on its Kaffir success and try for a similar, far larger, deal shortly. Lingers market doubts about its ability to negotiate out the big one may have led to the slight stock market underperformance since February. But at 342p, on a prospective p/e of 4.9 and a target yield of 8 per cent, the shares look a premium buy

Economic commentary by Tim Congdon

The brave new world of zero inflation

Medals for bravery are rarely awarded in peacetime. This is a pity because the London Business School certainly deserves one for organizing a seminar last week on the theme "Towards Zero Inflation". Although the goal of price stability has been endorsed by the Government, attitudes towards it still vary from the lukewarm to the incredulous.

The scepticism is understandable. Consumer prices have risen in this country every year since 1934. There have been two generations for whom inflation has become part of the way of life, almost an assumption of thought. Everyone takes it for granted that there will be inflation, just as they take it for granted that London buses are red and Nelson's column is in Trafalgar Square. It seems an outrage for the LBS to challenge something so established and familiar.

The doubters about price stability are numerous but they all tend to express their objections in the same way. They start off by saying that price stability is not feasible, a view they hold presumably because they cannot remember a time when prices were stable. On this point they are just plain wrong.

There are countless examples of societies which have kept the price level roughly constant over several years. Indeed, in some cases it has been achieved over several centuries. More pointedly, the rate of increase in the retail price index has been brought down in Britain from 22 per cent in early 1980 to 5 per cent today. If this has been possible, why should a further

reduction to zero be so difficult?

The doubters have to concede feasibility. So their next step is to claim that price stability is not desirable. Their view is that heavy costs would be involved in reaching it and that would not confer worthwhile benefits, once attained. "Heavy costs" in this context means more unemployment and less output.

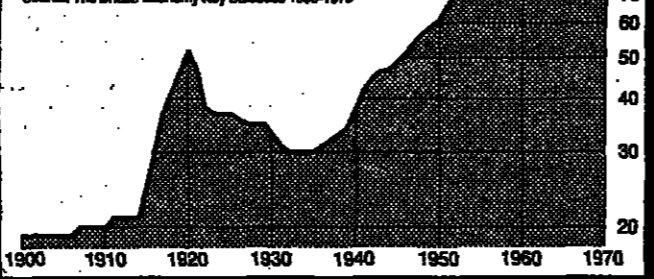
All this is well-trodden and perhaps rather bleak polemical territory which the non-economist may not want to see traversed again. The argument tends to assume a highly technical and theological tone. But it is important to point out a common inconsistency in the position taken by opponents of sound financial policies.

They are inclined to claim, first, that unemployment is so high that measures to reduce it would not be inflationary and, second, that attempts to cut inflation further would cause more unemployment. One or the other of these propositions must be wrong. If unemployment is so high that a reduction would not be inflationary, falling inflation must be compatible at worst with a stabilization of unemployment. No extra unemployment need be required to achieve price stability.

To use economists' vocabulary, if the number of people out-of-work is above Prof. Milton Friedman's natural rate, falling unemployment can be reconciled with falling inflation. This is not to deny that the speed of the fall in inflation is inversely related to the rate of decline in unemployment or that many economists regard

70 YEARS OF INFLATION AND STABLE PRICES IN BRITAIN

Index of retail prices 1963=100
Source: The British Economy Key Statistics 1980-1979



the natural rate theory, with all its ideological trappings as bunkum.

It is true that a determined anti-inflationary programme in an economy with 20 per cent inflation will, in the short run, cause unemployment and output losses. It is also true that in Britain today most of these costs have already been incurred. In effect, "the short run" is over. A move to stable prices would not be noticeably painful. In his paper to the LBS seminar, Dr. Bill Robinson summed up the evidence: "Whatever your theory of inflation it is hard not to be more optimistic now than at any time in the past five years."

And what is the purpose of it all? What is so specially virtuous about a price level which is held constant over an indefinitely long period of time? There is a broad theoretical argument in its favour, but the advantages are also suggested empirically by those periods in

recent history when prices have been relatively stable.

Although Britain has had inflation continuously for 50 years, an attempt was made in the late 1950s to check it by orthodox monetary restraint. The attempt was derided by most economists of the time (just as the Thatcher Government's programme was derided in 1980 and 1981), but the result was a two-year period when the retail price index showed little change. Between the second quarter of 1958 and the first quarter of 1960 it increased by a mere 0.3 per cent.

What happened to the economy as a whole? Was it struggling under the yoke of a doctrinaire monetarist government indifferent to unemployment and stagnation? On the contrary, these were the years of "you never had it so good" when living standards rose faster than ever before or since. The notion that very low inflation was bought by economic misery could not be more clearly at variance with the facts.

Perhaps more compelling examples are provided by the United States. In this century there have been two phases of approximate price stability, the first in the 1920s and the second in the 1950s and early 1960s. Between 1922 and 1929, the overall price level rose by only 1.4 per cent, with the largest change in any one year being a fall of 2.7 per cent in 1927. In the 1950s and early 1960s there was a systematic upward trend in prices, but it was very mild. The average annual increase in producer prices between 1952 and 1964 was a mere 0.7 per cent.

The 1920s, and the 1950s and early 1960s, were without question the golden ages of American capitalism. Both periods saw low unemployment and substantial output growth in an environment of "unusual social and political tranquillity". Since the mid-1960s there has been a continuous deterioration in all aspects of economic performance as the inflation rate has risen.

The association between

cautious financial policies, stable prices and economic progress seems if anything more convincing in America than in Britain. In the long run, the establishment and maintenance of price stability is not costly, but instead brings significant benefits. The most successful periods enjoyed by market economies in the 20th century have also been periods with the closest approximation to price stability.

The question arises of why there should be a link of this kind. The explanation, in general terms, is surely not very elusive. A market economy relies on the price mechanism for its success because prices convey vital information about the relative abundance and scarcity of different products and services. If the overall price level is stable, the price mechanism is at its most effective in performing this role.

If inflation is rampant, the meaning of any individual price becomes opaque. People have to assess whether the price of an object is "high" because it is scarce or because its seller has just adjusted in line with the inflation rate. The most successful periods enjoyed by market economies in the 20th century have also been periods with the closest approximation to price stability.

The interesting and controversial issue does not relate to price stability itself. It is, of course, both feasible and desirable. The Government is absolutely right to recognize its validity as a policy goal. The puzzle is instead why so many economists in universities and opinion-formers in the media pour scorn on the idea. They may be worried that they never want to be caught saying the obvious, or they may fancy themselves as social critics whose function is, after all, to criticize, or they may believe deep down that price stability is the ideal, but know that some residual imperfection is necessary to sustain politicians' demand for their advisory services. If any of these explanations is right, they should not be surprised if the Government does not greatly respect their views.

The importance of last week's seminar is that it suggests some economists are prepared to stick their necks out by recommending the obvious, endorsing a government objective without qualification and advocating an ideal solution rather than one which is confessed to be second-best.

The author is economics partner at Stockbroker L. Messel & Co.

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